



Legislature of Ontario Debates

Tuesday, November 22, 1960—Thursday, February 16, 1961



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, November 22, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1960



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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 22, 1960, being the first day of the Second Session of the Twenty-sixth Parliament of the Province of Ontario for the despatch of business pursuant to a proclamation of the Honourable J. Keiller Mackay, Lieutenant-Governor of the province.

TUESDAY, NOVEMBER 22, 1960

3 O'CLOCK P.M.

And the House having met,

The Honourable the Lieutenant-Governor, having entered the House and, being seated upon the Throne, was then pleased to open the Session with the following gracious speech.

Hon. J. Keiller Mackay (Lieutenant-Governor): Mr. Speaker and members of the Legislative Assembly of Ontario:

It is a pleasure to welcome you to this Second Session of the 26th Parliament of Ontario. Each year, with the growth in our population and the extension of services, your duties and responsibilities have become heavier. This year, for the first time in the recent history of the Province, the Legislature is commencing its Session in the autumn. There will then be a recess from mid-December until after the beginning of the New Year when the House will resume its sittings. It is hoped that this procedure will expedite the business of the House as well as ensure for it the careful consideration that it requires.

With the changes we are experiencing in our economic climate the Government's policy of expansion and development has assumed new importance. At this Session expansion and development must be our watchwords. As a great producing Province in manufactured, agricultural and other primary products our goal must be expanding markets. The responsibility for achieving that goal is not the exclusive responsibility of any one sector of our economy, but rather it demands the concerted action of all levels of government, labour and industry, and in fact of all Canadians. Faced with growing competition in a changing world we must re-assess our position and develop our opportunities.

At the same time it is wise to keep matters in perspective. For the past fifteen years we have enjoyed extraordinary prosperity, with a rate of industrial expansion unprecedented in this country and envied throughout the world. This year, while there has been an ebb in some

lines of activity, there has been marked expansion in others. As a result there have been more people employed in the Province than ever before and the total income of these workers is greater than ever before. Capital investment has been maintained at a near record level while the value of output of our mining, forestry and consumer goods industries and the activities of our service industries have achieved the highest level in our history.

Although there has been an increase of 50,000 jobs this year—which corresponds to the average increase of recent years—the expansion of our industry, particularly secondary industry, has not kept pace with the growth of our work force. This situation is largely attributable to the increased competitiveness of the world economy. We are now in a buyers' market. Many countries in both Europe and Asia have modern, highly efficient equipment which matches our own and they have substantially lower labour costs, together with a structure of exchange rates, controls and export arrangements dedicated to strengthening their industries and expanding their sales abroad. Consequently, this is not a time for complacency. We are operating in a world which is becoming increasingly competitive. For a Province that lives on trade there can be only one solution: we must increase the sale of our goods at home and abroad. In order to do this we must be able to compete with the producers in other lands.

It must be recognized that while public works at the federal, provincial and municipal levels are of high importance, they do not in themselves provide the fundamental answers to the problems and challenges of today. The emphasis today must be on the expansion of our secondary industries—and therefore our objective must be to adopt those long term solutions that will maintain our economy on a sound, competitive footing with the producers in other lands. The ability of our manufacturers to sell their goods at home and abroad in the face of increasing competition is essential to the balanced development of the Province and the Nation. It is recognized

that many of the most important matters relating to the expansion of trade and commerce lie within the competence of the Federal Government. Nevertheless, the Province is vitally concerned. The situation is one that requires a concerted effort on the part of all levels of government as well as of labour and management.

This means we must be adaptable, imaginative and enterprising. The maintenance of a provincial and national economy that fosters economic well-being and creates opportunities for interesting and rewarding employment that will absorb our growing work force is of fundamental importance. To this end the Government will submit for your consideration and approval a many-sided programme. This will consist in part of the following:

1. It is proposed to augment and strengthen The Department of Economics in order that it may more fully develop its methods and techniques of analysis and extend its studies of the Ontario economy with a view to supplying economic services for all departments of the Government and assisting them to cultivate and enlarge the opportunities for the Province's expansion, and development. Special studies will be made of various phases of our relations with the United States with particular reference to ways of reducing the imbalance in our commodity trade and tourist travel accounts as well as of the methods employed in other countries of promoting secondary industry.

2. It is proposed to reconstruct from our Department of Planning and Development a new Department of Commerce and Development. One of the purposes of the reorganization will be to provide more direct collaboration with Federal departments with a view to stimulating business, increasing production, and extending trade. While control over international trade arrangements, import duties and valuations, exchange rates and the whole field of banking and credit is under our Constitution vested in the Federal Government, nevertheless Ontario will co-operate fully in helping create the common front that is necessary to meet the challenges and take advantage of the opportunities of this changing world.

3. As part of the reorganization, a Products Research Division will be set up to complement the Government's present commercial and industrial development activities. This new Division's main function will be to stimulate production and employment in existing manufacturing industries of Ontario and to increase the processing of raw materials in Ontario. New products will be sought out

and defined which can be manufactured by Ontario companies. A primary objective is to find replacements for present importations. Additional services will also be provided to the seven Development Associations operating in Ontario. All this work will be co-ordinated with that of the Ontario Research Foundation. Provision will be made for the expansion of this Foundation in order that it may play a fuller role in the development of manufacturing in Ontario.

4. Also under way is the formation of a Market Development Branch within The Department of Agriculture, with the task of exploring additional outlets for Ontario farm products and promoting marketing. A Committee representative of various branches of the agricultural industry and The Department of Agriculture has already visited the United Kingdom and has made encouraging progress in the marketing of Ontario farm products. The Government proposes to hold discussions with national and other farm marketing agencies with a view to co-ordination of effort. You will be asked to approve a review of the services provided by The Community Centres Act in order to bring them into line with the wide range of conditions presently existing in Ontario communities.

5. There will be placed before you a comprehensive programme of planned public projects and job-creating winter works. The extension of our capital stock through the endeavours of the Province and its municipalities and various boards and commissions not only provides indispensable services without which industry could not expand nor communities grow but also operates as a stabilizing agent in the economy. The effects of what we are now doing are apparent across the face of the Province in the form of the creation of new physical assets and the employment on essential projects of a large segment of our labour force. This capital programme will be expanded.

The Department of Public Works will undertake a large construction programme based on long range planning to meet the essential needs of our people. This will include schools for the deaf and for retarded children, hospitals, administrative offices and departmental facilities, reform institutions and training schools, and conservation projects—all of which are necessary to meet Ontario's growth requirements. Wherever possible, action is being taken to ensure that the contractor will maintain work schedules through the winter months to alleviate seasonal unemployment.

Plans for the construction of additional flood control and water conservation projects

have been advanced. Major provincially-approved schemes on the Upper Thames, the Ausable, the Moira, and on the water courses in the Metropolitan Toronto region involve a capital cost of \$47.2 million.

From its inception in 1956, the Ontario Water Resources Commission has concluded agreements with various municipalities for 130 water works and sewage disposal projects at an estimated cost of \$52 million. Rapid progress has been made in the construction of these projects and in the Commission's industrial water treatment work. Major sewage plants have been opened in Kitchener, Waterloo, Brantford, North Bay, Streetsville, Trenton, Port Arthur, and other centres. The Commission is continuously engaged in negotiating agreements for other projects. You will be asked to vote funds to continue this programme of abating water pollution and increasing the effective use of Ontario's fresh water supplies. Immediate steps will be taken to facilitate the participation of municipalities in the Federal Government's plan to combat pollution which has become a by-product of our growing industrialization and urbanization and is in many ways a national problem.

The Government is vitally aware of the need to accommodate the growing number of motor vehicles, including those of tourists, which are using our highways. The improvement of old highways, the construction of new highways, bridges and skyways, and the opening of vast areas of Northern Ontario are all part of creating an environment conducive to expansion. You will therefore be asked to authorize a volume of work exceeding that of the extensive programmes of the previous two years. Rapid progress in highway construction is evidenced on all sides. The Lake Superior Route of the Trans-Canada Highway is now being supplemented by the St. Mary's River Skyway at Sault Ste. Marie, which is planned for completion in 1962. It is planned at the same time to complete the new link between the Lake Superior and Northern Routes of the Trans-Canada Highway by way of the completely new highway under construction from Wawa and Chapleau to Foley, Timmins and the Northern Route. Highway 401, a trans-Ontario four-lane highway, is being pushed forward to completion ahead of schedule. The new international bridge at Queenston which improves our connections with the American highway system and the Skyway at Homer over the Welland Canal are under way. Highway 400 is being pushed through to serve the large recreational areas of the north. The Roads to Resources programme is also being accelerated in order to

open to development new areas in our great northland.

The winter works programme projected in conjunction with Federal and municipal governments is being expanded to meet this winter's conditions. Full details will be presented to you. By arrangements with the Federal Government the starting date this year has been advanced a month and a half, from December 1 to October 15, in order to give the municipalities more opportunity to prepare their projects. The proposed programme has been extended to include not only roads, municipal parks, playgrounds and picnic sites, but also works which will materially increase the employment of building tradesmen and workers engaged in the production and handling of supplies.

6. You will be asked to authorize the implementation of a new approach to the provision of public low-rental housing and the expenditure of funds for financing it. Plans in the field of urban redevelopment will be placed before you. Authority will be requested to carry out additional land assembly projects to provide low-cost service lots for prospective home owners. You will also be invited to give attention to the provision of additional accommodation for elderly persons.

7. The Department of Lands and Forests will extend its forest management programme to ensure future supplies of forest products. Additional steps will be taken to improve natural generation. The reforestation of Crown lands will this year include the planting of more than 42 million trees. Measures are being adopted to improve and extend the propagation of fish and wildlife. Reports will be submitted to you of the encouraging progress made by the Great Lakes Commission relative to lamprey control in Lake Superior.

8. The expansion of Ontario's Provincial parks system has been spectacular. In addition to 17 new Provincial parks made available to the public this year, nearly 20 are in the course of development and other potential park areas are under study. There are now 62 Provincial parks in operation, 45 conservation areas containing parks that are in use, as well as the 13 parks in the Niagara Parks Commission and the St. Lawrence Development Commission. This year over 15 million visits will be made to our Provincial parks system, including nearly 750,000 campers who use the park facilities for considerable periods of time. The number of roadside camps and picnic areas will be increased.

9. Plans will be submitted to maintain Ontario's high level of mineral production. The maps compiled from the information gathered in the airborne magnetometer survey carried out last year have been released in groups as quickly as they can be prepared. Negotiations are being carried out to have similar surveys conducted throughout the whole Province. All of this will stimulate the development of mineral resources.

10. In the field of energy resources, additional progress will be made. You will have an opportunity to review the work of the Ontario Energy Board with respect to natural gas rate hearings and other matters. Studies are being made on natural gas storage, and a further review of safety regulations is in progress. The first stage of a programme of licensing and training those who install gas appliances has been implemented. Work is in progress which will lead to the adoption of a Provincial heating code. A report will be given as to off-shore drilling for oil and gas in the Great Lakes—a matter which has been under study by the Committee on Oil and Gas Resources. The Nuclear Power Demonstration Plant (N.P.D. 2) will begin producing power in 1961. Work on the 200,000 kilowatt Douglas Point Nuclear Power Station (CANDU) has started. Reports will be made to you on developments in the fields of atomic energy, isotopes and other related matters.

11. Further advances will be made in the field of education. It is estimated that we shall have to provide accommodation in our elementary schools for nearly half a million additional children by 1966, at which time our school enrolment will be approximately three times what it was in 1945. This immense increase in enrolment will have its effect upon secondary and university accommodation. This underscores the formidable problem which the Province will face in education during the coming years. Curricula are constantly being reviewed and revised for use in our schools, with science courses receiving a full measure of attention. It is planned to introduce new science courses in Grades 7 to 10. Progress has been made in increasing the number of teachers required by the rapid increase in the number of classrooms in elementary and secondary schools. The summer courses for secondary school teachers conducted at London and Kingston for the first time this year have met with great success. Winter courses in centres other than Toronto are now being considered. Plans are proceeding for a second School for the Deaf at Milton.

You will be asked to approve appropriations to provide scholarships, bursaries and loans to students. The programme of Ontario Scholarships, awarded to students achieving 80 per cent or higher on eight papers in Grade 13, has proved very successful. You will be asked to vote funds to ensure that no student who has the talent and ambition to attend university is deprived of the opportunity through lack of financial means. The problem of financing the cost of our universities, made acute by the mounting tide of enrolment, will be submitted to you for your attention and study. To deal with the increasing responsibilities involved in co-ordinating the Province's assistance to universities, the University Affairs Committee will be reorganized and representatives appointed from outside the Government.

12. The mental health programme will be expanded. Before the close of this present Session, the new hospital school established at Cedar Springs will be completed and ready for occupancy. The former sanatorium at Gravenhurst, purchased for The Department of Health, is fully occupied by 300 patients transferred from the Ontario Hospital, Orillia, in order that a great programme of reconstruction may be undertaken there. The second of the buildings at Byron will soon be occupied by the London Children's Psychiatric Hospital to allow for further expansion of the programme there. Renovation and remodelling of buildings at the Royal Ottawa Sanatorium is now going on in preparation for the establishment there of an out-patient unit and short-stay active treatment in-patient service for the City of Ottawa. This is an entirely new undertaking, the first of its kind in Ontario. Construction of the first of three infirmary and community mental hospitals is now under way at Goderich. Two others will be begun in 1961 at Owen Sound and at Palmerston. Legislation will be proposed for the setting up of a Mental Health Research and Special Treatment Foundation, with a view to stimulating and encouraging greater community participation. In order to assist in meeting the nursing problem in our hospitals, the number of nursing assistants will be increased. A report on the operations of the Ontario Hospital Services Commission, as well as on trends in costs, will be referred to the Legislative Committee on Health and Welfare for review and consideration. You will be requested to approve additional funds to meet its compelling needs.

13. Additional funds will be paid to the municipalities, school boards and other local agencies to assist them in providing new

facilities and services. Staff additions are being made to The Department of Municipal Affairs, particularly in the legal and finance divisions, and shortly its new quarters will be fully occupied and the Department will be functioning from one building. Far-reaching policies in relation to the municipalities, the school boards and subsidies for local roads and thoroughfares will be presented to you.

14. You will be asked to consider a further modernization of our programme of reform institutions. Construction is under way, or will be very shortly, for a new training school for girls and, as well, a new training school for boys. A large-scale programme of rehabilitation and improvement will be conducted in a number of the present institutions, and a new institution will be erected at Elliot Lake. You will be asked to consider plans to establish a pre-release centre for juvenile boys, the first of its kind in Canada.

15. In recognition of the services rendered by Tourist Associations, matching grants will be made to approved regional tourist organizations to encourage the more effective development and promotion of Ontario's tourist industry.

The foregoing, representing a comprehensive approach aimed at the advancement of the Ontario economy, involves a huge programme which will require careful study and consideration. But in addition, there are other parts of our programme designed to reinforce the social fabric of our economy and contribute to its effective operation. Among these, of course, is welfare. You will be asked to authorize homemakers' and nurses' services for an increasing number of municipalities. The construction of suitable modern homes for the aged will be continued. A major study is under way dealing with the specialized needs of children who require care in an institutional setting. A review of the policies of Children's Aid Societies is also being undertaken so that the best of current trends and knowledge in child welfare may be brought to bear on the treatment of under-privileged children. Under enactments passed last year, it is anticipated that the number of Indian bands that are now administering relief assistance to their community members will be increased to twenty-two. You will be invited to review the provisions for those who qualify for direct relief and also to vote the funds required.

Funds will also be required for the new Rehabilitation Division set up in The Department of Health to deal with the many families coming to Canada as special refugee

cases and to provide other services and facilities for physically and mentally ill and disabled persons in the Province.

Co-incidental with the development of Provincial highways and municipal thoroughfares, traffic safety activities will be increased. Driver instruction as an extra-curricular activity in secondary schools is receiving wide support. Twenty-one driver examination centres have now been established in the Province and this programme will be expanded.

Apprenticeship courses under the supervision of The Department of Labour are being expanded.

The Department of the Provincial Secretary will be reorganized as The Department of the Provincial Secretary and Citizenship.

During the coming year the Ontario Anti-Discrimination Commission will continue to undertake an active educational programme reaching into communities in all parts of the Province. This work, which has elicited a most heartening response from our people, involves the preparation of literature and educational materials and the co-operation of churches, schools and local organizations of all kinds. The objective will be to continue to acquaint our people with the aims of the Province's Human Rights legislation and to win adherence to the principle that every person is free and equal in dignity and rights regardless of race, creed or colour. The Legislature will have full opportunity to discuss these matters.

The Department of the Attorney-General has been undertaking an intensive study with a view to placing into operation a new system of dealing with repeaters before the Courts for drunkenness, recognizing that this weakness is more deserving of treatment and cure than penal service. Arrangements are being made with certain Magistrates' Courts and appropriate legislation will be introduced. This work is being carried out in collaboration with the Ontario Alcoholism Research Foundation, various Departments of Government including Health, Welfare and Reform Institutions, the Magistrates' Courts, and a representative committee of citizens.

The several Select Committees which have been carrying on their work since last Session are still engaged in their very important assignments. If final reports from these Committees are not available, interim reports, at least in some cases, will be.

The special technical committee studying portable pensions will be making a report during this Session of the Legislature. It is

proposed to refer this report to a committee of the Legislature.

It is also anticipated that the technical committee studying the problem of public lands and mineral resources thereon will report and thus enable the Legislature to study its report and recommendations.

During recent months, discussions of far-reaching importance have been held with the Government of Canada and the other provinces in seeking new arrangements with which to replace the existing tax-sharing arrangements following their expiry on March 31, 1962. Two sessions of the plenary Federal-Provincial Fiscal Conference have been convened, one in July and the other in October, and legislative action will be needed arising from the outcome of these important meetings.

The provinces are constitutionally entitled to an equal share of the major fields of direct taxation. My Government has pressed, and will continue to press, for the just recognition of Ontario's rights and responsibilities. Our financial problems in the fields of these direct taxes in question stem from the concentration in the Federal Government of powers under wartime conditions and the unsound conception of centralization which emerged from the Conference of 1945. There are very agreeable indications that the fundamentals of our federal state will be recognized. The fullest opportunity will be given to discuss these very important matters.

Ontario has also been engaged in discussions with the Government of Canada and the other provinces in seeking a mutually acceptable procedure for amending the Canadian Constitution solely in Canada. The Committee of Attorneys-General, which was set up after the July session of the plenary Federal-Provincial Conference, has made excellent progress. The Government is confident that further discussions will lead to agreement on the amending procedure and thus make possible the domiciling in Canada of the power to amend our own Constitution.

Much new legislation will be introduced. Among the proposed Acts to be amended are the following: The Absentees Act, The Administration of Justice Expenses Act, The Coroners Act, The Credit Unions Act, The Evidence Act, The Fire Marshals Act, The Judicature Act, The Juvenile and Family Courts Act, The Law Society Act, The Lightning Rods Act, The Liquor Control Act, The Mortgage Brokers Registration Act, The Mortgages Act, The Police Act, The Public Libraries Act, The Public Schools Act, The Real Estate and Business Brokers Act,

The Schools Administration Act, The Secondary Schools and Boards of Education Act, The Separate Schools Act, The Summary Convictions Act, The Trustee Act and The Wages Act. A new Act—The Hypnosis Act 1960-61—will be introduced and The Bailiffs Act will be completely revised.

Upgrading and improvements in Civil Service categories and classifications have been carried out. The Civil Service has given fine service which is its tradition and for which the people of this Province are grateful.

The Public Accounts, the Treasurer's Budget Statement and the estimates of the various departments will be presented to the Legislature for consideration and approval. These presentations will enable you to assess the magnitude of Ontario's financial requirements as well as those of the municipalities—to which over 45 per cent of the Province's revenue resources are committed.

I pray that Divine Providence may guide your deliberations.

The Honourable the Lieutenant-Governor was then pleased to retire from the chamber.

Prayers.

Mr. Speaker: I beg to inform the House that to prevent mistakes, I have obtained a copy of His Honour's speech, which I will now read.

(Reading dispensed with.)

Mr. Speaker: Introduction of bills.

THE REGULATIONS REVISIONS ACT, 1959

Hon. A. K. Roberts moves, seconded by Hon. C. Daley, first reading of bill intituled, "An Act to amend The Regulations Revision Act, 1959."

Motion agreed to; first reading of the bill.

Mr. Speaker: I beg to inform the House that I have received during the recess of the House, notification of vacancies which have occurred in the membership of the House by reason of the death of George G. Johnston, member of the electoral district of Simcoe Centre and the death of A. Robert Herbert, member of the electoral district of Temiskaming.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, arising out of the last order and before moving the adjournment of the House, may I refer briefly to the passing of the two members mentioned who will be very greatly missed at this time.

George Graham Johnston was first elected to the assembly in 1943. As his father and mother before him, he lived his lifetime in the historic county of Simcoe, the county which I, on occasions, like to refer to as the crossroads of history. Mr. Johnston had played his part in public affairs, municipal, school board, and businesses of all kinds since his early manhood. He was one of the trusted advisors of his community.

In 1943 he was elected to this Legislature as the member for Simcoe Centre. I should like to pay tribute to the man as we knew him here. A quiet, self-effacing individual who invariably stayed out of prominence but who possessed a very great influence indeed. George Johnston spoke well of his fellow man and fellow members and at the same time he was well thought of.

He was a close student of public affairs. His influence was invariably good and his influence, as I say, was very great. Often I have consulted him and I can speak from experience. His broad human interest and his interest in all citizens was very marked. Our recognition of our fine Indian citizens, and I may say one of the chieftains from his own area is here today, is due in no small measure to him.

His passing, sir, has indeed left a gap which can only be partially filled by the memories and recollections of this very fine personality.

Now sir, on the other hand, we also mourn the passing of a young man, Alexander Robert Herbert, only 46 years of age, a native and a resident of our northland. For 25 years he served his country in many places, through the Algonquin Regiment, a famous unit, both in active service or on active service conditions in France, Belgium and Holland.

He was first elected to this Legislature as the member for Temiskaming 9 years ago on this very day, sir, on November 22, 1951. Here he gave the same fine service that was typical of him and in addition served as the chairman of the Ontario Northland Railway. This young man with his fine record and his fine future, like the old counsel and the veteran citizen to whom I have referred, we can ill afford to lose and I am sure, Mr. Speaker, that all of the hon. members of the House will join in these words of sympathy which we extend, sir, to the families of both of these public servants.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I would take this opportunity to join the hon. Prime Minister, firstly in a tribute to two deceased members

of our Legislature and in a word of sympathy to the surviving members of the family.

Mr. Speaker, the hon. Prime Minister has said that these men were characterized in their different persons, one an older man, a gentleman of, I believe, 78 years of age, who, in the words of the hon. Prime Minister was a very quiet man. And that is true, he was. His participation in public debate in this Legislature was rather limited, but, Mr. Speaker, I can tell you from personal experience particularly in the recent by-election that his participation in his own riding was very active. He served his community and his riding very well.

At a time like this there is no need to be partisan. We can be very generous and wholesome in our observations of a very distinguished gentleman and I certainly join in the tribute that the hon. Prime Minister has made to Mr. Johnston.

In respect to Mr. Herbert, the former member from Temiskaming, a younger man by far, a man in the neighbourhood of his late forties, who died suddenly and unexpectedly, here, too, I think we have an illustration not of extraordinary debating qualifications but rather the ability to serve his community and his riding well.

In each of these instances I believe these men were characterized by their devotion to the service of their respective ridings and communities.

And this, Mr. Speaker, is something that I think that I should comment on. In this Legislature, in this proud House, we have the opportunity of great service, of leadership, and I think occasionally we forget the opportunity we have—the opportunity we have to pursue human happiness for all people. An opportunity that I am sure in reality never equals the ambition or the concept that we have for that service.

These men did well in life. They deserve our respect, our tribute, and I assure you, Mr. Speaker, that on behalf of all hon. members in the Opposition we are pleased to join in this tribute and in our felicitations to the surviving members of the two deceased members' families.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to add my words to those of the hon. Prime Minister and the hon. leader of the Opposition in paying tribute to the memory of our two late colleagues.

I think it can be said without any fear of contradiction that George Johnston was one of the most respected, indeed the most loved, members of this House. In the hallways, in

the committee rooms, he was a person whom you could feel automatically was a friend. In fact, it was this rich, human relationship, which was the secret of his political success throughout so many years.

He died at a ripe, old age, but we shall miss him.

It was even more tragic, no doubt, that Mr. Herbert died, because of his much younger years. We shall miss them both and I would like to join the hon. Prime Minister and the hon. leader of the Opposition in extending our condolences to their families.

Hon. Mr. Frost: Mr. Speaker, I move the adjournment of the House.

Mr. Wintermeyer: Mr. Speaker, may I ask the hon. Prime Minister what the order of business will be tomorrow, and may I ask him when we will have the opportunity to get to grips with this very intriguing document that has been presented this afternoon?

Hon. Mr. Frost: Mr. Speaker, of necessity, tomorrow is a day of organization, as my hon. friend knows. There are the usual

motions which are required to set the mill of this House into operation. Those steps will be taken tomorrow.

Now, I would say, sir, that in coming to grips with the document which has been read to this House, that opportunity will commence on Thursday, when the movers and seconders will deal with that comprehensive document that my hon. friend has referred to. I would say to my hon. friend, also, that as he well knows, it is necessary to organize the House, because of the requirements of notice and things of that sort, so it is difficult actually to come into the full consideration of the House before about next Monday or Tuesday. Now, at that time we can come further to grips with these facts.

Mr. Speaker: It is moved by the Prime Minister that this House should now adjourn. Is it the pleasure of the House the motion carry?

Motion agreed to.

The House adjourned at 4 of the clock, p.m.



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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 23, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome guests, students from the following schools: Edgewood schools, Scarborough, and Port Dalhousie public school, Port Dalhousie.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions were brought up, laid on the table, read and received:

Of the Ottawa Civil Service Recreation Association praying that an Act may pass exempting certain of its lands from taxation; also, the petition of the board of trustees of the Royal Ottawa Sanatorium praying that an Act may pass enlarging its authority to care for persons suffering from any disability, disease or illness.

Of the corporation of the city of Niagara Falls and the township of Stamford praying that an Act may pass authorizing the establishment of the Greater Niagara Transit Commission.

Of the board of trustees of the Roman Catholic separate schools for the town of Port Colborne praying that an Act may pass authorizing debentures in the amount of \$115,000 to consolidate a floating debt.

Of St. George's College for incorporation; also, the petition of the corporation of Eno-Scott and Bowne (Brazil) Limited praying that an Act may pass authorizing a change to Brazilian nationality by the corporation; and for related purposes.

Of the corporation of the city of Peterborough praying that an Act may pass enlarging the Peterborough Public Utilities Commission and providing for its election and term of office.

Of Montreal Trust Company praying that an Act may pass defining its authority and

powers as an extra-provincial trust corporation to transact business in Ontario.

Of the board of trustees of the continuation school of the township of Pelee praying that an Act may pass authorizing it to operate a continuation school for grades 9 and 10 in the township; and for related purposes.

Of the Port Arthur YM-YWCA praying that an Act may pass exempting its lands from municipal taxation, except for local improvement rates; also, the petition of the corporation of the city of Port Arthur praying that an Act may pass authorizing the corporation to convey certain lands in fee simple, free of encumbrances.

Of the corporation of North Bay College praying that an Act may pass reincorporating it as The University of North Bay College, and for related purposes.

Of the corporation of Northeastern University praying that an Act may pass reincorporating it as Northeastern University of Ontario; and for related purposes.

Of the corporation of the town of Richmond Hill praying that an Act may pass ratifying an agreement with the TTC for motor bus service; also, the petition of the corporation of Pickering College praying that an Act may pass removing the limitation on the value of land which may be acquired by the corporation in any year.

Of the corporation of Meadowvale Botanical Gardens praying that an Act may pass authorizing tax exemption on its lands, other than for local improvements.

Of the corporation of the town of Arnprior praying that an Act may pass authorizing debenture issues for certain local improvements; and for other purposes; also, the petition of the corporation of the town of Renfrew praying that an Act may pass incorporating Renfrew Victoria Hospital.

Of the corporation of the city of Sault Ste. Marie praying that an Act may pass establishing a pension plan for the employees of the corporation; also, the petition of the public utilities commission of the corporation of the city of Sault Ste. Marie praying that an Act may pass authorizing a new pension plan for its employees; also, the petition of the Sault

Ste. Marie board of education praying that an Act may pass authorizing a new pension plan for its employees; also, the petition of The Young Men's Christian Association of Sault Ste. Marie and Steelton praying that an Act may pass changing its name to The Young Men's Christian Association of Sault Ste. Marie, exempting certain of its lands from taxation other than for local improvements; and for other purposes.

Of the corporation of the city of London praying that an Act may pass authorizing by-laws to regulate laundromats, etc.; and for other purposes.

Of the corporation of the township of Calvert praying that an Act may pass authorizing a debenture issue for school construction.

Of the corporation of the city of Sarnia praying that an Act may pass authorizing by-laws to define architectural control areas; and for other purposes.

For the establishment of the Reuben Edwin Cleghorn Foundation; also, the petition of the corporation of the University of Waterloo praying that an Act may pass amending its Act of incorporation.

Of the corporation of the town of Leaside praying that an Act may pass making special provision respecting local improvement rates on the lands owned by the corporation in plan M-736, Land Titles, Toronto.

Of the corporation of the county of Ontario praying that an Act may pass confirming by-law 2,057 of the corporation for the purpose of assisting local municipalities in the county in granting aid to public hospitals.

Of the Synod of Toronto and Kingston praying that an Act may pass exempting from municipal taxation the lands of Glen Mhor camp.

Of the corporation of the Capuchin Fathers of Ottawa praying that an Act may pass reincorporating it as The Capuchin Fathers of Ontario and defining its powers.

Of the corporation of the city of Toronto praying that an Act may pass providing for instalment collection of taxes, validating a grant to the tunnel tragedy fund; and for other purposes.

Mr. Speaker: Presenting reports by committees.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I beg leave to present the report of the select committee appointed on April 11, 1960, to study and inquire into matters relating to the conduct of business in the assembly.

Your committee was appointed on April 11 last with the following terms of reference:

To study and inquire into,

(a) the problems that are of concern to the government and to this assembly with a view to making recommendations for the orderly, expeditious and efficient transaction of the business of the Legislature and for the improvement and simplification of the procedures of and pertaining to the assembly, including the matter of allowances for the expenses of out-of-town members; and

(b) the matter of an alternative procedure in the House, by resolution or otherwise, for dealing with cases such as is illustrated by Bill No. 152, An Act respecting Louis Pierre Cecile, and to report its findings and recommendations to the assembly.

In accordance with the authority conferred, your committee met in the interval between sessions and made a thorough study of the specific problems referred to it as well as giving general consideration to suggestions for the improvement of the transaction of business in the Legislature.

The first matter on which the committee reached a conclusion was the one concerning special and individual exceptions to the provisions of section 9 of the Legislative Assembly Act. Section 9 prohibits members from entering into any contract with any government department, board, commission, agency, etc., except as authorized by section 10. From time to time, circumstances arise concerning members of the House, in which the House feels that an exception should be made to the prohibition in section 9, even though the case does not come within the exceptions in section 10. In the past, such special cases have been dealt with by Acts of the Legislature, for example, Bill No. 152 of 1960, respecting the hon. Louis Pierre Cecile, MPP, Bill No. 41 of 1957, respecting Gordon William Innes, MPP. Your committee was unanimous that a simple resolution of the House should be substituted for the Act formerly considered necessary. For this purpose, the committee recommends the amendment to section 9 in recommendation No. 1 of this report.

Your committee proposes that rule 2 be amended to provide that the House meet at 10.30 a.m. on Fridays and adjourn at 1.00 p.m. Also that rule 3 be amended to provide that evening sittings automatically adjourn at 10.30 p.m. and that no evening sittings be held on Wednesday or Friday except in case

of emergency. The proposed amendments to rules 2 and 3 are contained in recommendation Nos. 2 and 3.

The allocation of specified times during the session for the consideration of private members' business was then discussed. Your committee agreed to recommend that such private members business have precedence on Mondays and Fridays immediately after third readings, in the first hour and a half after the commencement of the day's sittings. As the adoption of this proposal would require the re-drafting of rule 28, other matters governed by rule 28 were jointly considered, namely:

(1) The reduction of the procedure for bringing petitions for private bills to the House, from two days to one day.

(2) Provision for the presentation of departmental reports, reports of boards and commissions, etc., and other sessional papers as well as reports of committees, under the routine item of daily business immediately following petitions, together with the provision that such reports be presented by the responsible Minister, rather than the Provincial Secretary and that where such reports recommend legislative action, they may be taken into consideration immediately or consideration postponed to a later day. With reference to the presentation of such reports, the question having been raised as to how such reports might be put on the order paper for discussion, your committee wishes to draw to the attention of the House the fact that after any such report has been tabled it is open to any member to give notice of a resolution for the consideration thereof and such notice, being printed on the notice paper under the heading Notices of Motions, is eligible for consideration in the time allotted to private members business.

(3) The transfer of questions from the orders of the day to the daily routine and the amendment of rule 37 to provide for the tabling of the written answers to written questions under this item of the daily routine. This proposal would bring the rules into line with present-day practice, which is the same in the Parliaments of Ontario, Canada and the United Kingdom. Similar provisions to this proposed amendment have long been in effect in the standing orders of both Canada and the United Kingdom.

It was further agreed to recommend an addition to rule 37 incorporating under this daily routine, procedure with respect to oral questions before the orders of the day as enunciated by Mr. Speaker on February 15, 1960. The committee noted with interest

that this procedure is identical with the procedure in the House of Commons of the United Kingdom, where such questions are referred to as private notice questions. Your committee wishes also to recommend to Mr. Speaker that this proposed rule be applied with some degree of latitude with respect to the required notice when, in his discretion, he deems it justified.

The committee also recommends an addition to rule 37 to provide for starred questions: that is, written questions for which oral answers are requested, similar to the provision for such questions in the rules of the House of Commons of the United Kingdom and the House of Commons of Canada.

The proposed amendment to rule 37 contained in the following recommendations also provides that the written answers to written questions be printed in the *Hansard* reports rather than in the *Votes and Proceedings* and *Journals of the House* as at the present time. This is the practice both at Ottawa and in England. The reason for the difference in the Ontario practice is that until a few years ago we had no *Hansard*. The result of this minor change will be that all answers to all questions, both written and oral, will appear in *Hansard*, rather than having oral answers in *Hansard* and written answers in the *Journals* as is presently the case.

The proposed re-draft of rule 28 is contained in recommendation No. 4 and the additions to rule 37 in recommendation No. 5.

A study was made of the procedure in the Houses of Commons of the United Kingdom and Canada on going into committee of supply. As a result the committee concluded that the present practice in the Ontario Legislature of a motion being moved for the Speaker to leave the chair each time the committee goes into supply is incorrect, and recommendation No. 6 was agreed to.

Similarly, the committee is of the opinion that a motion should not be necessary each time the House resolves itself into committee of the whole on bills, nor should the order paper show the House as going into committee on each bill separately, as it does at present. Recommendation No. 7 is therefore submitted.

Your committee considered the problem of the out-of-town members and the extra expense to which they are put especially in attending the sessions of the Legislature. After considering all factors brought to its attention, it was agreed to present the plan in recommendation No. 8.

Your committee is of the opinion that the same time limit on speeches in the House, as are in effect in the House of Commons of Canada, should be adopted by the Ontario Legislature. For this purpose, it recommends in recommendation 9 that the relevant rules of the Canadian House of Commons be added in whole to Ontario rules 14 and 96 as indicated in the recommendation. Mr. Davison declined to concur in this recommendation unless it were widened to extend the exceptions to include the leaders of other parties in the House as well as the Prime Minister and leader of the Opposition.

Your committee strongly urges that the rule prohibiting the readings of speeches in the Legislature be more vigorously enforced in the future and that the Whips take this matter up with the members of the various parties to seek their co-operation.

RECOMMENDATIONS

1. That section 9 of The Legislative Assembly Act, Revised Statutes of Ontario 1950, Chapter 202, be amended by adding at the beginning thereof the words, "Except as authorized by resolution of the assembly," so that the section shall read as follows:

Except as authorized by resolution of the assembly, no person holding or enjoying, undertaking or executing, directly or indirectly, alone or with another, by himself or by the interposition of a trustee or third person, any contract or agreement with His Majesty, or with any public officer or department, with respect to the public service of Ontario, or under which any public money of Ontario is to be paid for any service, work, matter or thing, shall be eligible as a member of or sit or vote in the assembly.

2. That rule 2 of the assembly be repealed and the following substituted therefore:

2(a) The House shall meet on Mondays, Tuesdays, Wednesdays and Thursdays at 3.00 o'clock p.m. and on Fridays at 10.30 o'clock a.m.

(b) If at the time of meeting there be not a quorum, Mr. Speaker may take the chair and adjourn the House until the next sitting day.

3. That rule 3 be repealed and the following substituted therefore:

3(a) If at the hour of 6 o'clock p.m. the business of the day be not concluded, the Speaker shall leave the chair until 8 o'clock p.m.; provided that, except in cases of urgent necessity, no evening sittings shall be held on Wednesdays or Fridays.

(b) When the House sits in the evening, at 10.30 o'clock p.m. Mr. Speaker shall adjourn the House without question put until the next sitting day.

(c) At 1 p.m. on Fridays, Mr. Speaker shall adjourn the House without question put and, unless otherwise ordered, the House shall stand adjourned until the following Monday.

4. That clause (a) of rule 28 be repealed and the following substituted therefore:

(a) The ordinary daily routine of business of the House shall be as follows:

Presenting, reading and receiving petitions.

Presenting reports (reports of standing and select committees, departments, boards and commissions etc.).

Motions.

Introduction of Bills.

Questions (rule 37).

Reports of departments, boards and commissions, etc. shall be presented by the responsible Minister. If the report contains recommendations for legislative action, it may be taken into consideration immediately or reserved for later consideration.

The order of business for the consideration of the House, day by day, after the above daily routine, shall be as follows:

Monday

Third readings.

Private bills.

Notices of motions.

Public bills and orders.

Government notices of motions.	} To be entered upon after the first hour and thirty minutes.
Government orders.	

Tuesday

Third readings.

Government notices of motions.

Government orders.

Private bills.

Public bills and orders.

Other notices of motions.

Wednesday

Third readings.

Government notices of motions.

Government orders.

Private bills.

Public bills and orders.

Other notices of motions.

Thursday

Third readings.
Government notices of motions.
Government orders.
Private bills.
Public bills and orders.
Other notices of motions.

Friday

Third readings.
Private bills.
Public bills and orders.
Notices of motions.

Government notices of motions.	} To be entered upon after the first hour and thirty minutes.
Government orders.	

5. That clause (b) of rule 37 be amended by deleting the word Journals in the second line thereof and substituting the words official report of the debates and by adding at the end of the said clause (b) the words and such replies may be tabled on any day under the routine proceeding questions.

That the said rule 37 shall be further amended by adding thereto the following clauses:

(d) A member who desires an oral answer to his question shall distinguish it by an asterisk, but notice of any such question must appear at latest on the notice paper circulated two sitting days before that on which the answer is desired; provided that no member shall have more than three such questions standing in his name on the notice paper at one time.

(e) A question may be asked orally if it has been submitted to the Speaker before 12 o'clock noon and accepted by him as of an urgent character, and related either to a matter of public importance or the arrangement of business in the House. If Mr. Speaker rules that the question, although otherwise in order is not urgent, he will direct it to be presented for publication on the notice paper under clause (a) or clause (d) of this rule.

6. That when the order of the day for House in committee of supply is read Mr. Speaker do leave the chair without motion or question and the House immediately resolve itself into committee of supply.

7. That one order for House in committee on bills be shown on the order paper with all bills referred to the committee of the whole House listed under that order, so that when the order is read, Mr. Speaker may leave the chair without motion or question and the

House will immediately resolve itself into a committee of the whole for the purpose of considering the bills listed, or any of them.

8. That the necessary amendments be made to The Legislative Assembly Act to provide the following:

(1) That the present mileage allowance for six trips per year, between the member's home and the city of Toronto, be increased to eight trips per year.

(2) That in lieu of the mileage allowance, any member residing outside metropolitan Toronto may elect to claim his actual out-of-pocket expenses for rooms, meals, etc., while travelling to and from, and staying in, Toronto while engaged on his duties as a member of the Legislature, up to a maximum of \$500 per annum.

9. That rule 14 be amended by adding therefore the following clause:

(b) When Mr. Speaker is in the chair, no member, except the Prime Minister and the leader of the Opposition, or a Minister moving a government order and the member speaking in reply immediately after such Minister, or a member making a motion of no confidence in the government and a Minister replying thereto, shall speak for more than forty minutes at a time in any debate; and

That rule 96 be amended by adding thereto the following clause:

(bb) No member, except the Prime Minister and the leader of the Opposition, shall speak for more than thirty minutes at a time in any committee of the whole House.

A. K. Roberts, *Chairman*
A. J. Reaume
James A. C. Auld
Norm Davison
W. E. Sandercock
A. E. Thompson

Mr. Speaker, I assume that there is a good deal of thought digested into this short, concise report, and that there would be considerable debate on some items. I would therefore move that it be considered and that it be placed on the order paper in the normal way for that purpose.

Motion agreed to.

Mr. Speaker: Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move, seconded by Mr. Allan, during the pre-Christmas session of the legis-

lative assembly, permission be made for the taking and printing of reports of debates and speeches, and, to that end, that Mr. Speaker be authorized to employ an editor of debates and speeches with necessary stenographers at such rates of compensation as may be agreed upon by him. Also, that Mr. Speaker be authorized to arrange for the printing of the reports in the amounts of 1,600 copies daily, copies of which be supplied to the Honourable the Lieutenant-Governor, to Mr. Speaker, the president of the legislative assembly, the legislative library, to each member of the assembly, the reference libraries of the province, the press gallery, the newspapers of the provinces, approved of by Mr. Speaker, and the balance to be distributed by the clerk of the assembly, as directed by Mr. Speaker.

Motion agreed to.

Hon. Mr. Frost moved and hon. Mr. Allan seconded, that the standing committees of the House for the present session be appointed for the following purposes: (1) On agriculture, (2) On conservation, (3) On education, (4) On energy, (5) On game and fish, (6) On government commissions, (7) On health and welfare, (8) On highways and highway safety, (9) On labour, (10) On lands and forests, (11) On legal bills, (12) On mining, (13) On municipal law, (14) On printing, (15) On private bills, (16) On privileges and elections, (17) On public accounts, (18) On standing orders, (19) On travel and publicity.

Which said committees shall severally be empowered to examine and inquire into all such matters and things as shall be referred to them by the House, and to report from time to time their observations and opinions thereof with powers to send for persons, papers and records.

Mr. Speaker: Is it the pleasure of the House the motion carry?

Mr. D. C. MacDonald (York South): Is that precisely the same list we had last year?

Hon. Mr. Frost: The other motion was the same also.

Mr. MacDonald: Thank you.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move, seconded by Mr. Allan that a select committee of 14 hon. members be appointed to prepare and report with all convenient dispatch, lists of the hon. members to compose the standing committees ordered by the

House. Such committee to be composed as follows:

Mr. Morrow, Chairman.

Messrs. Carruthers, Cowling, Edwards (Perth), Gordon, Guindon, Hall, Haskett, Lawrence, Rollins, Simonett, Thomas, Whicher and Whitney. A quorum of the said committee to consist of four members.

I may say, sir, before you put this motion, that the members were pretty well settled on the committees last year, and, I suggest to the hon. members that if they desire to be on any particular committees to notify the Whips and that will be arranged.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I move, seconded by Mr. Allan, and I notice that this is pursuant to the report we have heard read here, though the motion didn't really have any bearing on the report or the recommendation of the report but rather the experience of last year, that this House meet at 10.30 a.m. on Friday next, and that rule No. 2 of the assembly be suspended so far as it may apply to this motion.

Now that just applies to this coming Friday. We can make arrangements for the following Fridays, but it will meet the situation this Friday if it is satisfactory.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I beg to move, seconded by Mr. Wintermeyer, that Mr. Johnston, hon. member for the electoral district of Carlton, be appointed as chairman of the committee of the whole House for the present session.

Mr. Speaker: Is it the pleasure of the House the motion carry?

Hon. Mr. Frost: Before you put that motion through, I am sure the hon. leader of the Opposition and perhaps some of the other hon. members would want to say something. This is part of the organization of the House. The order of the assembly has varied somewhat over the years. In certain periods of our history it has been decided by the House to alter the chairmanship every year, except for a period of time when the chairmanship remained in one member for a number of years. As a matter of fact, I think that extended back into some of the administrations before this one. For some years back now we have alternated from year to year.

Motion agreed to.

Hon. Mr. Frost: I move you do now leave the chair, and the House resolve itself into committee of the whole.

Motion agreed to.

Mr. W. E. Johnston (Carlton): Hon. members of this House. I do feel very highly honoured indeed to be placed in the position where I shall be Deputy Speaker and chairman of the whole House. This, to me, means a position in which I can be successful only provided I command the full co-operation and support of all hon. members of the House.

It has been already said by the hon. Prime Minister that he knows I will be fair in dealing with my duties, and the duties of the hon. members. So that I do not need to say any further on that. But I do want to say this, hon. gentlemen. I want to thank the hon. Prime Minister and the hon. leader of the Opposition, and indeed all of the hon. members, for your kindness in placing me in this position of trust. With those few remarks, gentlemen, I shall endeavour to carry out my duties to the best of my ability.

Hon. Mr. Frost: I move, sir, that the committee rise and report the speech of the chairman of the committee of the whole House.

Motion agreed to.

THE ABSENTEES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Absentees Act."

Motion agreed to; first reading of the bill.

He said: I have a number of bills that I can introduce with your permission at this time.

Mr. Speaker, I think hon. members have established in this House the practice of giving a short description of the bill on introduction. If it is the wish of my hon. friends that I do that as I go along, I will do so; otherwise I will defer it to second reading.

Mr. H. C. Nixon (Brant): I would certainly like to have an explanation of the bill.

Hon. Mr. Roberts: This bill provides for the administration of the land in Ontario of a person who has disappeared and whose whereabouts are unknown; a person who is not, himself, resident at the time of disappearance in Ontario, and has been declared an absentee by a court of competent jurisdiction.

THE CREDIT UNIONS ACT, 1953

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Credit Unions Act, 1953."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I would say that this bill provides for certain amendments, including the changing of the name of registrar of credit unions to supervisor of credit unions, and that where employees of unions are applying for loans, the authority to approve those loans must be given by the board of directors and the supervisor of the committee.

Also, that where credit unions have suffered financial setbacks, they can still continue in business but impaired capital will only be withdrawable at its actual value. New capital deposits will be encouraged in that they will not share the burden of past losses.

Further, the amendment provides that credit unions cannot loan their funds on the security of first mortgages to persons other than their own members, nor invest in certain types of mortgages. This is for the purpose of keeping the funds liquid for the general and main purpose, namely, loans to their own members.

THE DEVOLUTION OF ESTATES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Devolution of Estates Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill provides for increasing from \$5,000 to \$20,000, in the event of an intestacy, the amount that either spouse would be entitled to receive.

THE FIRE MARSHALS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Fire Marshals Act."

Motion agreed to; first reading of the bill.

THE HOTEL FIRE SAFETY ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Hotel Fire Safety Act."

Motion agreed to; first reading of the bill.

THE LIGHTNING RODS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Lightning Rods Act."

Motion agreed to; first reading of the bill.

THE LAW SOCIETY ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Law Society Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I might say in explanation of this bill that, while there is a fund supplied by contributions by lawyers to meet defalcations and misuse of trust funds on the part of any lawyer with respect to his clients. Some rather severe losses, unfortunately, have been experienced in that field. Experience has also shown that if it had been possible to put a stop order on withdrawals from the fund, when the trouble was first apparent to the law society officers were looking into the matter, that perhaps considerable conservation of funds could have been obtained for the benefit of those entitled to them.

So this amendment provides for an application to the supreme court judge for a stop order on the application of the treasurer of the law society or one of his officers where it is shown that it would be proper to conserve this fund. It also contains provision for a further application for release of some or all of the funds with respect to those places where it would be proper to release it.

THE LIQUOR CONTROL ACT

Hon. Mr. Roberts moves first reading of bill intituled, "The Liquor Control Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in explaining this bill, I might say that the present provisions of section 104 of The Liquor Control Act dealing with penalties in relation to drunkenness are somewhat more severe than these amending provisions, but the main purpose for these amending provisions I think are apparent in them. They are in three parts and I think I can best explain them by simply reading them.

Every person who contravenes subsection 2 of section 79, the section providing for drunkenness, is guilty of an offence, and (a) is liable to a fine of not more than \$50 or to imprisonment for a term of not more than 30 days in the common jail or to both, or (b) may be detained for a period of not more than 30 days in an institution for the reclamation of alcoholics that is designated for the purpose by the Lieutenant-Governor in council (that would be a compulsory detention by order); of (c), and this is an important one I think, may be detained for

an indeterminate term of not more than 90 days in an institution, mentioned in clause b.

If he signs a pledge agreeing and consenting to remain therein for such period of time not exceeding 90 days, as in the opinion of the superintendent of the institution is required for his reclamation, and that he will faithfully abide by all the rules and regulations of the institution so long as he is an inmate thereof, then subsection 8 provides for the Lieutenant-Governor designating such places from time to time, as he may see fit, as institutions for the reclamation of alcoholics.

I might say, Mr. Speaker, that if this amending Act is brought into effect, it is hoped that it will be one of the ways in which considerable advance can be made in treating this very difficult subject of drunkenness, and jail sentences in respect to drunkenness.

THE MORTGAGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "The Mortgages Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, at the last session of the Legislature, in an effort to come to grips with certain practices that had the earmarks of fraud, particularly in the field of second mortgage loaning, this House enacted one Act with respect to registration of mortgage brokers, amending The Unconscionable Transactions Act, and did not deal with certain amendments to The Mortgage Act that were contemplated.

Experience in the meantime appears to show that we are on the right track, but also reveal that a minor amendment should be made to The Mortgage Act by providing that the mortgagee must furnish a copy of the mortgage for the mortgagor at the time the transaction is concluded.

THE TRUSTEE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Trustee Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a very simple amendment in order to make certain that, during a 6-month period before which an administrator cannot be appointed, no loss of rights should follow. It also gives the right to an application to a supreme court judge and he may extend the time for bringing an action in order that there would be

no loss of time before appointment of an administrator.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the last session of the House:

Electoral district of Temiskaming: Phillip Hoffman.

PROVINCE OF ONTARIO

This is to certify that in view of a writ of election, dated September 22, 1960, issued by the Honourable Lieutenant-Governor of the province of Ontario, and addressed to Larry Belanger, returning officer for the electoral district of Temiskaming, for the election of a member to represent the said electoral district of Temiskaming in the legislative assembly of this province, in the room of A. Robert Herbert, who, since his election as representative of the said electoral district of Temiskaming, hath departed this life, Phillip Hoffman has been returned as duly elected as appears by the return of the said writ of election, dated October 14, 1960, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, November 23, 1960.

Hon. Mr. Frost: Mr. Speaker, I desire to ask the advice of the House and release you to a matter which has bearing, by strange coincidence, on the report which has been placed upon the order paper of this House. Might I, in making this explanation, crave the House's permission to refer to a portion of this report which I find has very direct bearing upon what I am going to say.

It is on the first page of the report of the select committee just tabled, and just placed upon the order paper. The first matter on which the committee reached a conclusion was the one concerning special and individual exceptions to the provision of section 9 of The Legislative Assembly Act. Section 9 prohibits members from entering into any contract with any government department, board, commission, agency, etc., except as authorized by section 10.

Actually speaking, the section is very broad and what I want to refer to is something that the report does not mention, and that is the accepting of payment for services. From time to time circumstances arise concerning members of the House, in which the House feels that an exception should be made to the prohibition of section 9, even though the case does not come within the exceptions of 6 and 10. In the past, such special cases have been dealt with by Acts of the Legislature; for instance, Bill No. 152 of 1960, respecting the hon. Louis Pierre Cecile, MPP. That involved the question, of which perhaps there was some doubt, of the necessity of passing such an Act, with the possibility of

expropriation of such certain lands by the Hydro-Electric Power Commission of Ontario.

An Act respecting Bill No. 41 of 1957, having reference to Gordon William Innes, MPP, and I think that that involved an expropriation, if I remember rightly, of lands by The Department of Highways. Or was it purchased by him? Well, in any event, it was some transaction of that sort.

My first recollection of this matter is a bill relating to Mr. Wismer, who was, at one time, a member of this House, I believe for the riding of Riverdale. He sat on a board of conciliation, or something of the sort, and received payment in the ordinary course. This was disclosed afterwards and a bill validating the payment was passed at that time. Your committee was unanimous to the simple resolution of the House. Now this was, I think, after the recommendation of the hon. member for Brant (Mr. Nixon) at the last session, if I remember rightly, and should be substituted for the Act formerly considered necessary. For this purpose the committee recommends the amendment of section 9, etc.

Now, sir, in Mr. Hoffman's case I have been beset with doubts. I wanted to make this explanation to the House, and ask the advice of the House in relation to it.

Mr. Hoffman was a civil servant for something over 30 years. He resigned from the service on August 19, 1960. At that time he had vacation credits for 31 working days to October 3, 1960. He had accumulated sick leave credit amounting to 321.5 days. Gratuity entitlement, 161 calendar days, commencing October 4, 1960, up to and including March 13, 1961. He was classified as a forest ranger, fourth class; the pay rate—\$416.66 per month, payable semi-monthly.

Now, sir, on that computation, up to the date of—or following the date, rather—of the election on September 29, Mr. Hoffman would be entitled to holiday pay of \$68.10, and sick leave credits and gratuities of \$2,217.71, making a total of \$2,258.03.

These, sir, are of course applied to all civil servants under similar conditions. Mr. Hoffman was included in the payroll in September, before the dates of the election. On the dates, I think, of September 9 to 23 and on that basis it could include two days of gratuity, which would run after the date of the election on September 29, amounting to \$27.78.

Of course, I have asked for a ruling, I find that there is some doubt on these questions. Of course, The Legislative Assembly Act was drawn long before the days of these provisions

of gratuities and so on, but some question was raised.

I am asking for further deliberations on this, as to the right to accept superannuation to which the government contributes. Now there are some hon. members of the assembly here who are in receipt of that. I am quite satisfied that never at any time was The Legislative Assembly Act considered to be a bar in connection with that, nor do I think—we have never had a case of this—that The Legislative Assembly Act was ever contemplated considering a matter of this sort. The situation, sir, is this, and I think that the question which has to be resolved is in these two areas.

First, taking Mr. Hoffman's case: He resigns on August 19. If his payments at that time are vested, if they are as a matter of fact crystallized at that time, and he is entitled to them, then my understanding of section 9 of The Legislative Assembly Act is that it does not apply.

On the other hand, if in the converse, if these payments are not vested and legally not vested, and they carry on, then section 9 of The Legislative Assembly Act will apply, and therefore a resolution or a bill would be required to clarify that.

Now here I am not prepared to pass upon which of these is correct, other than to express this opinion: That in the sick leave credits, I think they are clearly vested and that therefore on the sum of \$2,217.71—which by the way has not been paid, it has been held up by the provincial auditor and the officers of the department. I think it has been vested and I think that would be the determination, in which case of course it would be paid in the ordinary court.

I point this out. If the money is earned and the debt is owing, then it is within the Act to accept payment. But if the money is not earned, and it requires further services, then, of course, the Act would apply.

Now that, I think, is the refinement that I think we would have to determine or the law officers would have to determine.

Now I would say that in connection with vacation with pay there might be an element of uncertainty. I do not see any uncertainty from a moral standpoint, but there might be some uncertainty from a legal standpoint. I have asked the civil service commissioner and it has always been counted in the case of civil servants who die or resign, the amount is vested and in the case of death is payable to their estates as an amount that is actually owing to them. Now, sir, I wanted to explain

that to the House so that there will be the fullest understanding of this matter.

I come now to the solution; and—

Of course it would require, a resolution of this House, and if there is any objection on the part of any hon. member of the House, then of course, I would ask the hon. member not to take his seat until the matter is resolved.

On the other hand, frankly, I don't know whether a resolution of this House is required. There is doubt on it and I would say that I am quite satisfied that the House would feel in a case such as this that there should be such a resolution passed.

If no objection is raised after this explanation, that I think covers the whole matter, then I would introduce the member, subject to this undertaking: That if the law officers ruled there is required, the member-elect in taking his seat having violated the provisions of the Act as one of two of those persons I have mentioned did unwittingly, then either there should be a bill passed. Or in the alternative, that the matter be taken care of by resolution if the House in its wisdom determines to pass the recommendation or put into effect the recommendation provided for in the report of the select committee.

That is the provision and if it is the ruling of the law officers, I would undertake them to do that at the earliest possible moment and also to table in this House. The certificate of the civil service commissioner and the provincial auditor as to the exact amount that is due and owing. Now, sir, I think that fully explains the matter and I would abide by the decision of the House. I think it is one of those things affecting this House and if there is objection then, of course, I would not introduce the member. If that is the case, and I do not want to hold out any inducements to the hon. members here, they might miss a very fine speech, because I have asked the hon. member to move the Throne address tomorrow. So I might have to do that myself.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, this is one of those occasions, I think, when the leader of the Opposition bears a responsibility not only to himself but to this Legislature.

This matter has been before me for some time. I appreciate the hon. Prime Minister's explanation. I feel that as leader of the Opposition it is my obligation to bring to the attention of the Legislature, matters that may be unpopular, matters of conscience, if you will.

I will assure you, Mr. Speaker, that in approaching this subject, I am not of the mind that I want to dispute the rules of the game after the rules have been set down and elections been held. A man has been elected, I am prepared to abide by it. But I do say that there is another matter involved here, and it is a serious matter. The matter that the hon. Prime Minister has made reference to.

Here we have a man who was until nomination date, a civil servant of this province. The nomination date was September 15.

Now, Mr. Speaker, the question then becomes one of interpreting The Legislative Act. Not only section 9 is involved but likewise, 9, 12 and 15. I can appreciate the hon. Prime Minister's position. I would say that our own position is not to put unnecessary hurdles in the path of a man who has won an election. But at least we wish to respect this law, which simply says, that if a man does not comply, the election is null and void; that is a fact we must consider.

Secondly, he is subject to a \$2,000 fine for every day he sits in this Legislature if it is found that he has been sitting in any way in a disqualified fashion. So I would think that, for the protection of this individual man and member, he certainly should wait until the matter is clarified.

I will assure the hon. Prime Minister that we, on this side of the House, will work with him in any intelligent, reasonable way to amend the legislation. I am delighted the matter has arisen in the way it has, for the simple reason that it brings this matter to public attention without the need on my part to appear in a critical fashion to complain about the election.

Now I can complain about principle. Now I can talk principle, and this I would like to do.

I feel that the man should not take his position in this Legislature until this matter is clarified. I feel very strongly, as you yourself have said that there is doubt about the matter. I think, that until such doubt is resolved, he should refrain from taking his position.

I think secondly, that we would be doing a disservice to the man to ask him to subject himself to the penalty of section 15 which would impose on him a fine of \$2,000 for every day he takes his place in this Legislature, irrespective of what we do. That imposition and that penalty can be enforced by anybody in the province.

I only draw this to your attention to demonstrate the ramifications of this problem.

I would point out, too, that we should not be too hurried in our determination here. I think that we must remember that the legislative bodies of years gone by, had in mind a very fixed policy, which ensured that a civil servant would divorce himself completely from the civil service, before competing in any elective activities. I think this is the essence and I know now we are into the technicalities of arrears for pension funds, sick leaves and alike.

True, these are matters that have arisen in recent years; matters that may not have been under consideration when the Act was formulated. I can agree with the hon. Prime Minister that we are not going to hold up a man because he has earned money heretofore and the money is paid after, not at all, but in the consideration of these sections, I personally am not disposed to move unnecessarily hurriedly and I can say that for the man's protection and for the protection of this whole Legislature. I think the matter, as the hon. Prime Minister has said, is a matter of doubt, a matter of concern and one that should be resolved.

I reiterate, Mr. Speaker, that we on this side of the House are not going to attempt to use any technicality to upset an election, but we are determined to try to enforce the intelligible, reasonable implications and significances of this bit of legislation.

Therefore, Mr. Speaker, having had this problem on my mind for some time and being greatly concerned about it as have others in this group, I would think that we would be asking only what is right to ask the hon. Prime Minister and government to further investigate this matter and clarify it before the hon. gentleman takes his place in the Legislature.

Hon. Mr. Frost: Mr. Speaker, I am quite content to do that. The matter, as I see it, is very similar to the matter of Mr. Wismer who was an hon. member of this House some years ago subject to this, that at that time payment took place actually during the term of office and in these circumstances it might have been so ruled that he had vacated his seat.

This is a case, of course, of money which was paid during his term of service and the question arises as to the vesting or otherwise of these benefits, which applies to all our civil service. In view of that, of course, I would want to have the matter resolved, and I would want to have it done in a way in keeping with the rates and dignities of the service. Now I might say this, sir, that in view

of that, I am going to ask here the hon. member for Lanark (Mr. Somme) to move the address tomorrow so that will get matters back on the rails.

Mr. Speaker: I beg to inform the House that the clerk has received from the chief election officer and laid upon the table the certificate of a by-election held since the last session of the House, returning Mr. Arthur Evans, member-elect for the electoral district of Simcoe Centre.

PROVINCE OF ONTARIO

This is to certify that, in view of a writ of election dated September 22, 1960, issued by the Honourable the Lieutenant-Governor of the province of Ontario, and addressed to Robert L. Brown, Esquire, returning officer for the electoral district of Simcoe Centre, for the election of a member to represent the said electoral district of Simcoe Centre, in the legislative assembly of this province, in the room of George G. Johnston, who, since his election as representative of the said electoral district of Simcoe Centre, hath departed this life, Arthur Evans, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated October 4, 1960, which is now lodged of record in my office.

RODERICK LEWIS,
Chief Election Officer

Toronto, November 23, 1960.

Hon. Mr. Frost: Sir, may I have permission to escort the member to this House?

Arthur Evans, Esquire, member for the electoral district of Simcoe Centre, having taken the oaths and subscribed the roll, took his seat.

Hon. Mr. Frost: Mr. Speaker, I have the honour to present to you the member-elect for the electoral district of Simcoe Centre who has taken the oath and subscribed the roll, and now claims his right to take his seat.

Mr. Speaker: Let the member take his seat.

Two motions have been submitted to the Speaker's office; one from the leader of the Opposition and one from the member for York South, calling for adjournment of the House to discuss an urgent matter of public importance, namely, the matter of unemployment. I find that I must refuse the notices of motion dealing with this matter of unemployment upon several grounds.

I do agree that it is an urgent matter and certainly of public importance but also that it is not of a strictly definite nature. The word definite could be interpreted as clear and unmistakable in meaning with which I agree. The word definite, however, also means exact and precise and having distinct or certain minutes.

In addition, I find that the notice of

motion has been submitted and will be on the order paper tomorrow dealing with the same subject.

I am also of the opinion that a much wider discussion could be given to this subject by another method other than by a motion to adjourn the House. Under the terms of this particular type of motion, discussion is limited to 10 minutes. I am further of the opinion that members, generally, will agree that this subject warrants a much wider discussion than could be applied under the 10-minute limit.

Mr. Wintermeyer: Mr. Speaker, as you have said, we did present a motion to adjourn this House, to discuss the very urgent problem of unemployment. You now have advised us that you consider this problem to be an urgent one and you consider it to be of public importance. But you have said that, in your opinion, this matter can be more effectively dealt with on two other occasions. Firstly, a debate with respect to a resolution that has been introduced by the hon. member for York-Scarborough (Mr. Sutton), and secondly, I presume, at least, that the inference you left was that it could be considered in the Throne speech.

Mr. Speaker, may I point out to you, firstly, that I have certain sympathy with your position. I would be inclined to agree that, technically speaking, it is true that this matter is urgent, agreed that it is of public importance, can just as well be debated tomorrow, or the next day, or the day after that.

But I would likewise remind you, Mr. Speaker, that I do think that the alternatives you have given us are inadequate, and ineffective. I do not think this House should consider the alternatives that you present as a real alternative at all. I feel that unless this House is disposed to say that a definite time, in the foreseeable and immediate future, will be set aside to consider this very important subject, then what you have done, with your phraseology and explanation, is simply to adjourn this problem indefinitely. The simple fact of the matter is that you have acknowledged that this is urgent, you have therefore, *prima facie*, qualified this subject matter for discussion.

The Throne speech, which I have read several times, does not tackle the problem as a social problem. It talks about long term planning. It talks about economic plans that must be laid for the future. But it makes no reference to what will happen to keep body and soul together for the hundred thousand

people who are unemployed in Ontario tonight.

Hon. Mr. Frost: I do not know whether a Speaker's ruling is debatable. I think that is what my hon. friend is doing. May I point out to you that his Honour finds this subject is urgent and important, as are a great many things from the Throne Speech.

I think the point comes up this way. It is the method of dealing with it. This is what his Honour's ruling is on. The method of dealing with it. There are two orders on the order paper now that can deal with it. I would say to my hon. friend he may be able to say all that he wants to say in 10 minutes. I could not on this great subject. It is a matter deserving very much more consideration than that.

Mr. Wintermeyer: I agree with the hon. Prime Minister. It may well be that this is not debatable, but may I say, Mr. Speaker, right now, that I am going to be forced to vote against your ruling.

Mr. Speaker: I recognize the rule with regard to debate, but I feel that since the motions were submitted, a few words could be interjected at this time.

Mr. MacDonald: You have dealt with these two motions as something of a package deal and I am faced with a little difficulty in that I do not know what the wording of the motion submitted by the hon. leader of the Opposition was. I am convinced that the motion I submitted to you, sir, is not negated by the reason you advanced, namely, that it does not advance a specific item. My criticism is that the various proposals that have been advanced by the government, and in the resolution which you say precludes debate at the moment, are long run, long term. The motion I submitted to you, may I draw to your attention, sir, is this: That the adjournment of the House to discuss a matter of urgent public importance, namely, an immediate programme to cope with the unemployment crisis. And I submit to you, Mr. Speaker, that the motion you have indicated gives an opportunity for debate; the motion in the name of the hon. member for York-Scarborough—that there is nothing immediate about it at all. It may conceivably, in the long run, meet the needs of unemployment.

Mr. Speaker: I refuse both motions for the same reason and since we have allowed some debate on this matter, I think it is now time to rule and vote, if necessary, on the Speaker's ruling.

As many as are in favour of the Speaker's ruling will please say "aye."

As many as are opposed say "nay."

The Speaker's ruling was adopted on the following division:

Mr. Speaker: All those opposed will please rise.

YEAS	NAYS
Allan (Haldimand-Norfolk)	Belanger
Allen	Bryden
(Middlesex-South)	Bukator
Auld	Chapple
Belisle	Davison
Brown	Edwards
Brunelle	(Wentworth)
Carruthers	Gisborn
Cathcart	Gordon
Cecile	Gould
Collings	MacDonald
Connell	Manley
Cowling	Newman
Daley	Nixon
Davis	Oliver
Downer	Reaume
Edwards	Singer
(Perth)	Sopha
Evans	Spence
Frost	Thomas
Fullerton	Thompson
Gomme	Trotter
Goodfellow	Troy
Grossman	Whicher
Guindon	Wintermeyer
Hall	Wren
Hamilton	-25
Hanna	
Haskett	
Janes	
Johnston	
(Parry Sound)	
Johnston	
(Carleton)	
Lawrence	
Letherby	
Lewis	
Macaulay	
Mackenzie	
MacNaughton	
Maloney	
Morrow	
McNeil	
Nickle	
Noden	
Parry	
Phillips	
Price	
Robarts	
Roberts	

YEAS

Rollins
 Root
 Rowntree
 Sandercock
 Simonett
 Spooner
 Stewart
 Sutton
 Wardrope
 Warrender
 White
 Whitney
 Yaremko

-59

The yeas are 59 and the nays 25.

Mr. Speaker: I declare the ruling upheld.

Mr. MacDonald: I would like to move, seconded by Mr. Thomas, that the rules of the House be waived and that this House proceed on Friday of this week with consideration of the resolution standing on the order paper in the name of Mr. Sutton.

Hon. Mr. Frost: I object to that, Mr. Speaker, so that is all that is necessary.

Mr. MacDonald: Mr. Speaker, may we have your ruling rather than the law of Killaloe being invoked?

Mr. Speaker: May I point out to the hon. member that we have already had a demonstration of that this afternoon, that no rule of the House can be suspended without unanimous consideration of the House and it is quite obvious that the unanimous support of the House has not been given in this case as in the previous case this afternoon.

Mr. MacDonald: Mr. Speaker, may I, through you, ask the hon. Prime Minister that in view of last year's experience where this kind of thing frustrated the debate for weeks, with regard to Elliot Lake, will he permit a debate on Friday on this matter, so that we can deal with an immediate programme for unemployment?

Hon. Mr. Frost: May I say to my hon. friend that my purpose and intention, and I think that it is clear from the speech of his Honour the Lieutenant-Governor from the

Throne, to deal with this most fully and comprehensively. I would say to both my hon. friends, to all the hon. members of this House, I have no objection; indeed I welcome debate on this very important subject. But I must admit that I would not want what I would say to be limited to 10 minutes. I think my hon. friend would agree with that.

I will give my undertaking to this House to deal with this but I do not think, myself, that Friday is a satisfactory day to debate this. But I will certainly, sir, make the earliest provision for the fullest opportunities for the hon. members of this House to debate this question.

It has been drawn to my attention that the resolution of Mr. Sutton may, as a matter of fact, be called on Monday. I will see what the circumstances are. But in any event, I will say this that on Tuesday, in any event, I assume, we will start into the Throne debate, aside from its more formal aspect; which take place tomorrow and that gives opportunity to proceed.

I am anxious just as my hon. friend is; and he will find that too. We shall go ahead and deal with all aspects of this problem—look at it, take it out, and put it on top of the table and let us see what we have to deal with in this country of ours. I am satisfied to do that, sir.

Mr. MacDonald: Mr. Speaker, in view of the statement of the hon. Prime Minister, may we take the assurance that it will be called not later than next week?

Hon. Mr. Frost: Not later than next week? Yes, the Sutton resolution will be called not later than next week.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, I think that concludes the business of the House. I might say to my hon. friend that the Throne debate, as amended, will proceed tomorrow. That will be the order of business, sir.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, November 24, 1960

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 24, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Petitions.

Reading and receiving petitions.

Clerk of the House: The following petition was brought up, laid on the table, read and received:

Of the corporation of the city of Peterborough praying that an Act may pass permitting the corporation to order the removal or demolition of premises closed by order of the medical officer of health, under section 97 of The Public Health Act when circumstances warrant such action.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

THE FAIR EMPLOYMENT PRACTICES ACT, 1951

Mr. N. Davison moves first reading of bill intituled, "An Act to amend The Fair Employment Practices Act, 1951."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. J. N. Allan (Provincial Treasurer): **Mr. Speaker**, before the orders of the day, I would like to draw the attention of hon. members to an economic survey of the eastern Ontario region that has been placed on their desks. I might point out that the survey released today by the Ontario Department of Economics concludes that economic diversification and development will continue in eastern Ontario, and that a high level of prosperity will be enjoyed in the years ahead.

The comprehensive 125-page survey, embracing the 11 counties of the Ottawa valley and Upper St. Lawrence areas, indicates that the region's population has grown from

592,000 to 748,000 in the past 9 years, and may well climb to 850,000 by 1966. The area's labour force has expanded significantly during the postwar period, and personal income has climbed by close to 90 per cent since 1951.

On the basis of employment, the service industry, represented in considerable degree by the federal civil service, is dominant. The diversity of skills and stability of employment in the civil service are among the region's greatest assets. Value of output shows the manufacturing industry to be of major importance. Factory shipments have increased sixfold in value from the levels of immediate prewar years, while the entry of new industry and the expansion of established manufacturing enterprises, especially in the chemical and synthetic textile fields, are taking place at a record pace.

The operations of the region's pulp and paper mills are being expanded and broadened, markets for the area's agricultural output are growing and the tourist industry is flourishing. Construction activity, judged by the value of building permits issued, has increased by more than 180 per cent over the past decade. Two huge construction programmes recently completed in eastern Ontario, the St. Lawrence seaway and the associated power project, created a considerable volume of activity through the demand for labour, construction materials, and general supplies that could be provided locally. This gave added impetus to the long-term growth factors influencing the region's economy.

Current trends indicate a continuation of eastern Ontario's economic development. The survey notes that this will be fostered by the growing domestic requirements of the Toronto and Montreal areas, and by the increasing needs of the huge adjacent markets of the northeastern states, the availability of ample hydro-electric energy and natural gas, a skilled and versatile labour force, and the completion of new highways and structures—particularly the Ottawa and St. Lawrence river parkways as well as highway No. 401—by the Ontario government and other authorities.

The study of the eastern Ontario region is the fourth carried out by the Ontario Department of Economics on the 10 economic regions of the province. Earlier publications have been released on the Georgian Bay, northeastern and northwestern regions; the fifth, now in preparation, will examine the Lake Ontario region.

The purpose of these studies is to set out the major facets of economic activity, illustrate and analyze growth, and measure the contribution of each region as a whole to the economic life of the province. They are linked with the government's policy of encouraging stable and progressive economic development across Ontario. It is hoped that the report will prove helpful to the business and commercial community, as well as the public generally, in preparing for the opportunities of the future.

Mr. F. R. Oliver (Grey South): Mr. Speaker, in the absence of the hon. Minister of Mines (Mr. Maloney), I beg to ask the hon. Prime Minister (Mr. Frost) a question based on a reading of a one-page article in the *Toronto Star*, having to do with the Hollinger mine. The direct question—

Mr. Speaker: Pardon? I did not know how long the member was going to read before he got to his actual question, but it is perfectly in order.

Mr. Oliver: Well, may I say, Mr. Speaker, you are being very meticulous today (laughter). The direct question to the hon. Prime Minister: What action does the government intend to take, in view of the allegation by officers of the united steel workers, that the timber falls at Hollinger mine in Timmins are endangering the lives of miners?

Hon. L. M. Frost (Prime Minister): Well, Mr. Speaker, I can quite understand that my hon. friend has been unable to give me notice of that question because I just arrived back at the buildings a few moments ago.

But I would say that while I am not familiar, as he may understand, with the details of that which would be under the jurisdiction and direction of The Department of Mines, I can assure my hon. friend that there would be a most meticulous investigation of that matter, as is always the case with The Department of Mines.

I think that he will feel quite satisfied that everything will be done to thoroughly investigate that matter. If there are any matters that he or others can give to me, I

would be very glad to pass them on in confidence, to the investigating committee so that inquiries can be made.

I might say, sir, that I have followed the case with interest. I want to pay tribute to the great courage of that young miner who was injured and who was trapped in the mine. I notice that he has been brought to Toronto here because of certain facilities that, I believe, are available here only. I know, sir, that we all wish this young New Canadian the very best. And if there is anything we can do to help him, we will be delighted, indeed, to do it.

Mr. Speaker: I would like to point out to the House that this morning I received two questions: one from the member for York South (Mr. MacDonald) and one from the member for Woodbine (Mr. Bryden). I thought that these questions would have to be rephrased in order to come within the rules. In the present form, they contain too much preamble and recitement of fact. The question seeks information, but does not give information.

I attempted to reach the members to discuss the rephrasing of these questions, but unfortunately was unable to do so. Therefore, I would ask that they leave these questions until tomorrow, at which time we can discuss the business of the preambles and recitements of facts contained therein.

Mr. D. C. MacDonald (York South): Mr. Speaker, I was listening to the hon. Prime Minister at lunch today and got back about the same time as he did. When I got to my office I learned that you had called, but I submit, sir, that if you are going to ask questions intelligently, there has to be at least some question there. I suggest, further, that we will have to clarify these rules a bit more, as to whether or not questions we are going to be asked are going to be subjected to this kind of meticulous editing.

Mr. K. Bryden (Woodbine): Mr. Speaker, if it is a question of mine that is involved, I would merely like to indicate that, as type-written, my question takes up about 10 or 12 lines. I agree there is some preamble. That is necessary, I think, to make the question complete. If you insist, sir, I can torture the English language and put the exploratory material into the form of a number of preambles. But I submit to you, sir, that it is a perfectly reasonable request for information.

Mr. Speaker: I want to be quite fair, and I think that all members observe the same

rules. The member for York South asked a question and he was right to a point with the question.

Now, with the permission of members, I would ask the member for Woodbine to read his question as submitted to me, and then could I be given the opportunity of adding to that what I think the question should be, with the permission of the House?

Hon. Mr. Frost: Mr. Speaker, would it not be better, since we are just at the start of the session, that we meet tomorrow morning at 10.30? I point out, sir, that the hon. leader of the Opposition (Mr. Wintermeyer) and a number of the hon. gentlemen opposite are away—at a very important function, as a matter of fact—the dinner for the hon. Paul Martin. It has desolated the Opposition here.

I would say, sir, if the House will give me this indulgence, that I would have gone myself. As a matter of fact I asked my colleague and friend, the hon. Louis Cecile, (Minister of Public Welfare) to attend there and to make a little presentation to hon. Mr. Martin on my behalf as a mark of my high appreciation of his good qualities. I would have gone myself, but for the fact that with the disability from which I presently suffer, I would have received no sympathy at all. I get very little as it is.

I hope that these hon. gentlemen will be able to be back here tomorrow morning at 10.30, and then these matters can be discussed and disposed of. I think that the fair way is to try to find ways and means whereby questions can be asked.

I think hon. members ought to find a reasonable way of asking questions without casting any implications or insinuations or anything of that sort. I think if I can sit with you, sir, that the House will trust the fairness of those here to see that the questions are made so that they can elicit the fullest of information.

Mr. P. Manley (Stormont): Mr. Speaker, I am very unhappy that this very fine report was put on our desks as an honest survey of eastern Ontario. I would like to ask the hon. Minister at this time if there is any potential future in regard to work for some of the people in eastern Ontario in this report, that will take care of the immediate situation. We had, not so long ago in the *Weekly Star* an article on the "City of Idle Men," and I am wondering if there is anything in this report that will take care of that situation.

Interruptions by hon. members. House called to order.

Mr. Speaker: Orders of the day.

Clerk of the House: First order, consideration of the speech of the Honourable the Lieutenant-Governor (Mr. Mackay) at the opening of the session.

Applause.

SPEECH FROM THE THRONE

Mr. G. E. Gomme (Lanark): Mr. Speaker, I would ask leave to move, seconded by the hon. member for Simcoe Centre (Mr. Evans), that a humble address be presented to the Honourable the Lieutenant-Governor, as follows:

May it please Your Honour:

We, Her Majesty's most dutiful and loyal subjects, of the legislative assembly of the province of Ontario now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has addressed to us.

Mr. Speaker, as I rise at this time the first thing that I would like to say, I have found that life is always full of surprises. It was planned, Mr. Speaker, that moving the adoption of the address of His Honour the Lieutenant-Governor of Ontario would be in the capable hands of the member-elect for the riding of Temiskaming. As the member-elect has not yet been permitted to take his seat formally in this House, perhaps I may refer to him by his name, Mr. Philip Hoffman.

Applause.

Mr. Gomme: It is less than 24 hours ago that I was asked to take this pleasant duty, and I may say that I shall be very happy if I can do half the job my friend would have done. Of him, with the permission of this House, I shall have something to say later on.

May I express to you, Mr. Speaker, my sincere thanks for the kindness and the consideration that you have given me as a new member of this assembly. You have always presided over the sessions of this Legislature ably, and I am sure that your ability has always been acclaimed.

May I, at this time, express my deep sorrow as to the passing of two members of this assembly who were well known and respected by all of us. First, I refer to the death of Mr. George Johnston, who represented the riding of Simcoe Centre and who died on May 29 last.

Mr. Johnston died full of years and secure in the esteem of the people who knew him best. The late member entered this assembly

in 1943, and was returned at 6 successive general elections—a record of service which speaks for itself.

May I assure the members of the family of the late Mr. Johnston of the sincere sympathy of all those who are in this assembly.

May I also say that I deeply regret the death of the late member for Temiskaming, Mr. A. Robert Herbert. I had come to know the late member very well indeed, and to cherish his friendship. No one could fail to admire his enthusiasm for the great north country. His passing, at 46 years of age, with such dramatic suddenness, was, I am sure, a shock to all of us and indeed a great blow to the hon. members of this House.

Again, I should like to express my sympathy to the late Mr. Herbert's widow and his family of young children.

I am sure, Mr. Speaker, we regret the absence of the hon. member for Waterloo South (Mr. Myers) who is confined to his home as the result of an illness.

I am happy to say that he is making a splendid recovery and soon will rejoin us here.

I am also glad to see the hon. member for Sault Ste. Marie (Mr. Lyons) back to this House. No hon. member of this House is more sincere in his efforts for northern Ontario, and I hope that he will be with us for a long time to come, to further serve that part of Ontario for which he has done so well.

It is a great pleasure, Mr. Speaker, at this time to congratulate the number of my hon. colleagues who have been honoured by elevation to the cabinet. The hon. member for York West (Mr. Rowntree) brings to bear on the duties of his new post, as Minister of Transport, a sound experience as a private member.

He has also won acclaim as chairman of several very important committees. His fine policies of mind and heart, and his capacity for hard work guarantee that he will be a success in this new post, and he will add strength to this administration.

The hon. member for St. Andrew (Mr. Grossman) did a service in eliminating 50 per cent of the communist representation in this honourable body. The hon. member is a student who has the knack of acquiring mastery of his subjects and who expresses himself freely and forcefully in debates.

The hon. member for Middlesex North (Mr. Stewart) has already given a good account of himself with his qualities as an expert in the affairs of several departments,

notably education, agriculture, and municipal affairs.

I congratulate both of the hon. members on their admission to cabinet rank where they will add strength to the administration. Doubtless, in the fullness of time, further promotion lies ahead.

It is also a pleasure, Mr. Speaker, to extend my good wishes to the hon. member for Parry Sound (Mr. A. Johnston) on his promotion to the vice-chairmanship of the Ontario Northland Transportation Commission.

Again my good wishes go to the hon. member for Algoma-Manitoulin (Mr. Fullerton) on his appointment as a member of that same commission.

The experience of these hon. members in this House and their familiarity with the affairs of northern Ontario will aid them in their duties, and undoubtedly will be of assistance in the guidance of our great publicly-owned enterprise.

I am sure the hon. members of the government will miss the sage counsel of the hon. member for Eglinton (Mr. Dunlop) who, however, goes on to still another career of service as chairman of the committee of university. Here the hon. member will again be working in a field where his experience will be of the utmost value.

Again, I extend my best wishes to the hon. member for Simcoe Centre (Mr. Evans) in respect to his victory of September 29 last. He is a young man who has already demonstrated his capacity for public service in the municipal field; more especially as mayor of the town of Bradford and warden of that great county of Simcoe.

My very warm congratulations go to the member-elect for Temiskaming. By-elections present peculiar features on occasion, and my information indicates that my hon. friends of the Opposition had great hopes in respect to this northern riding. Our socialist friends were represented by an experienced candidate at one time a member of this assembly, long since departed from Temiskaming, but who returned to the riding to preach the socialistic gospel in the hope of again entering this Legislature.

Interjections by several hon. members.

Hon. J. Root (Minister Without Portfolio): We are only semi-socialist now.

Mr. Gomme: Just take your time, boys! The followers of the hon. leader of Her Majesty's Opposition (Mr. Wintermeyer)

almost to a man, I understand, threw themselves into this particular campaign with all their traditional weapons: man, money, material and propaganda—in fact everything they had. The hon. leader of the Opposition—

Mr. D. C. MacDonald (York South): Tell us what you threw in!

Mr. Gomme: —is reported as having declared at Haileybury on August 4 that upon this by-election hangs the future of the great Liberal party.

(Laughter).

Mr. Gomme: I do not know whether or not the hon. member meant exactly what he said, but I am sure we will wait his explanation with interest.

The net result of all the sound and fury which this by-election evoked was the election of Mr. Philip Hoffman of Temagami, who has turned from 37 years of public service to the people of Ontario, to another field of service in this Legislature. I know this man as a man of the people, who is joining a people's government—

Mr. MacDonald: Quit gloating!

Mr. Gomme: —and who has worked with his hands as well as his head.

Perhaps because I have had some experience along that line, I have a special respect for men who work with their hands.

This latest addition to the government side is a man who learned his trade from the ground up, cutting trails, manhandling materials of all sorts in a position in the rugged northland, handling a canoe through the rough waters and streams and handling his craft over rocky portages and brushy trails. His record is one of giving help to the settlers in distress, of rescuing lost hunters and fishermen, of more than once saving people from drowning at risk of his own life.

I shall presently deal with some of the things that he has seen during his 37 years of employment as a servant of the people of Ontario. I shall try to relate some of the things which have been told to me, and which ordinarily he would be relating to you himself on this occasion.

Mr. Speaker, in these trying and dangerous days, our country is, of necessity, gravely concerned with international affairs, a subject in the memory of some of us present but little interest to the people of Canada. Now we can only hope that the labours of our world leaders will finally be able to

achieve a climate of peace and mutual goodwill replacing the uneasy truce which continues throughout the whole world.

We are fortunate in having the goodwill of our great and powerful neighbour, the United States. We are doubly fortunate in our membership in the British Commonwealth of Nations and we are again fortunate, I think, in having a flexible parliamentary system which implies loyalty to the Crown without in any degree submitting ourselves to dictatorship.

Since Her Majesty Queen Elizabeth II visited this province along with her distinguished husband, Prince Philip, Duke of Edinburgh, the Royal family has been blessed with the arrival of a second son and, I am sure, we all rejoice with them in this happy event.

It is also fitting, I think, that we should extend our greetings and good wishes to Her Royal Highness Princess Margaret in respect of her marriage to Mr. Antony Armstrong-Jones. Her visit in recent years to this province will not be soon forgotten, and I am sure the hon. members of this assembly join with me in wishing all happiness to Her Royal Highness and her husband as they face life together.

The development in this great province of Ontario can be measured in many ways: the astonishing growth of our population, the establishment of new industry, the increase in our labour force, the expansion of our institutions for human betterment such as hospitals and homes for the aged, and also the growth and improvement of facilities such as highways and public buildings. In this year alone, as pointed out in the address by His Honour the Lieutenant-Governor, there has been an increase of 50,000 jobs, although the increase in employment has not kept up with the increase of the work force. This, of course, is largely accounted for by our high population increase.

Mr. R. M. Whicher (Bruce): How about the unemployment?

Mr. Gomme: Just hold on a minute.

About 1.5 million people in the last 10 years, also by the fact that 50 per cent. of the immigrants to this land settle in this province. It is nothing short of a miracle that this government has been able to keep abreast of the facilities needed to support our onrushing development, and to supply the needs of our rapidly increasing population. This government, in carrying out its huge programme, has overcome two factors

which, without good management at the provincial level, would have hamstrung our provincial economy.

First, Ontario is almost impoverished by the demands of the federal treasury. Ontario is required to pay one-half of the enormous cost of national defence. Ontario actually pays through the federal treasury great sums to be handed over to the so-called "have-not" provinces, including debt-free British Columbia and oil-rich Alberta.

Ontario taxpayers pay to Ottawa about 50 cents out of every dollar flowing into the federal treasury. Is it any wonder that the hon. Prime Minister (Mr. Frost) of this province demands a new fiscal deal with Ottawa?

Interjections by several hon. members.

Mr. Gomme: Second, the government of Ontario is aiding the municipalities on an ever-increasing scale. For example, including aid to universities, more than \$200 million in education, \$75 million a year in municipal road subsidies; together about \$345 million a year in grants of all kinds.

In short, Ontario is paying to the municipalities almost 45 cents out of every dollar of provincial revenue. And these grants are bound to increase. It is inevitable under the present system.

In the early days, forest protection was achieved by the use of manpower and not much of that, canvas buckets, canoes, axes and patrols on horseback, when there were trails over which a horse could travel. It took hours, even days to reach a fire.

Gradually fire towers lookouts began to come into use. Wooden towers with material for their construction, manhandled into high points, and with only the rudimentary means of communication.

Today it is different. Some 300 tall, steel lookout towers with snug, glassed-in cabins at the top, dot the northern Ontario landscape. In good weather the lookout man can see and scan the landscape for 25 miles in all directions. By using an alidade he can transmit to the ground crew exact directions as to where the blaze is located and other instruments permit him to give distance with a high degree of accuracy.

In earlier days it was vastly different. Rangers, some of them were experienced bushmen, but with no specialized scientific training. As the fire season approached, the ranks of the rangers were supplemented by students and other inexperienced help gathered up wherever they could be found.

The system, or lack of system, was not without its casualties. Men getting lost in the

bush, a few drownings each year, perhaps because of inexperience in handling canoes; indeed all types of mishaps.

In those early days, there were simply not enough trained men, nor the equipment needed to prevent or extinguish forest fires. There always has been, and there always will be, a real fire hazard in any wooded country, especially where the forest growth consists of trees such as spruce or pine.

The hon. Minister of Lands and Forests (Mr. Spooner) recently referred to the fire season just closed. During this present year, the area burned by forest fires was less than one-third of the annual average: about 31,000 acres were burned over in 1960, and the 10-year annual average was 97,000 acres.

The air services of the Ontario Department of Lands and Forests is the world's largest, and I have no hesitation in saying the world's finest. In the fires of the past summer in Sioux Lookout area, more than 1,000 men were engaged in fighting fires: civilians, rangers, conservation officers and park officials. Helicopters loaned by the Ontario Hydro also gave very valued assistance.

The air fleet, inaugurated by a Conservative government of the hon. Howard Ferguson, in addition to fire control work, carries out aerial surveys, and its mercy flights include carrying patients from remote points to hospitals as well as rescuing lost hunters and fishermen.

In the fall, when the fire season ends, the planes are equipped with either wheels or skis in place of floats. This job is accomplished either at local headquarters or at the vast hangers at the Sioux headquarters. Now for a moment may I again look back to 1923 — no planes — no mechanical equipment — practically no fire pumps — no radio — only a few elementary telephone lines. The weapons, as I have said, were largely axes, shovels, picks, canvas buckets.

Today we have the finest air service of its kind in the world. We have modern fire pumps, hundreds of miles of hose, trucks, bulldozers and every conceivable weapon to fight fire. We have also a highly trained and devoted staff.

For the most of my life I have been connected with some phase of the lumber industry. I spent 10 years engaged largely in woods operations, including timber measurement. The Doyle rule was long used in Ontario and was a fairly accurate means of measuring timber. But as the giant trees of the original forest disappeared, operators began to cut trees of much smaller size. Here the Doyle rule was notoriously inaccurate,

resulting in huge overrun. Hence, this government adopted the Ontario rule which gives an accurate estimate of the number of feet board measure in the content of a log. It, therefore, gives a much better financial return to the province.

Scaling requires adequate technical training, skill and experience, and we have in our scalers, today, a group performing an important function as well as being thoroughly competent in their work.

Reforestation is getting the attention it deserves. From St. Williams, Midhurst and other forest stations about 40 million trees are shipped yearly. This is a big increase, and the results are seen through planting on farm and municipal forests all over Ontario.

In the north, with its vast distances and huge forest area, the situation is different. We must depend not altogether but largely on natural regeneration. So much depends on soil conditions and the varying nature of forest growth. A coniferous forest will replace itself quite readily, given favourable conditions. If a pine or spruce area is denuded of its merchantable trees, it will reproduce if the area is not infested with weeds, trees and brush.

Some experiments have been made—and I believe successful—along the lines of spraying out the growth of shrubs and weeds through the use of chemicals. But keeping forests free from fire is still the most important factor.

Today, also, there is increasing use of trees formerly considered almost worthless—notably poplar. This latter wood is now widely used in the manufacture of rough paper, kraft, wallboard and insulating board. This is a happy development for our operating companies; also for our settlers and it gives them an additional small but important cash crop.

Work in the field is greatly assisted by the presence of many trained foresters, university graduates in their profession. Except for the clerical staff, I think the whole staff in the North Bay office consists of graduate foresters.

Another change relates to the integration of the departmental staff. Men in the outside services are no longer organized as a collection of Balkan republics. Some men specialize in forest fire fighting and forest protection. Others are particularly concerned with timber and pulpwood operations, scaling, directing, cutting and seeing that operators work within the four corners of their licences.

Others again, specialists in wildlife and fish and game protection, are at the operation of hatcheries. But they are all welded into a cohesive and manysided whole, concerned

with the utilization and the preservation of our forest wealth, whether a tree or wildlife, or whatever form our forest wealth, using the broader terms, may assume.

The men and women, for there are many women employees in our offices, have security of tenure of office; they have support of the head office officials; they take pride in their work and it is a lifetime career.

Another matter I would like to mention is the enforcement of the manufacturing conditions of The Crown Timber Act. Enacted some 60 years ago, the conditions were extremely simple. They required that timber cut from Crown lands of Ontario must be manufactured within the borders of Ontario.

In 1937-1938, a government of another political stripe simply threw the regulations out the window. They did not even bother to repeal them. They simply ignored them, handing out huge pulpwood concessions without any competition, permitting also unlimited export of our raw pulpwood, in one case in northwestern Ontario, building a huge dam and digging a canal to help float the Ontario pulpwood to the Wisconsin mills. These agreements also required that pulp mills were to be built in Ontario. And how many were built under the government of that day? Exactly none.

Mr. V. M. Singer (York Centre): Think forward!

Mr. Gomme: I should add that a start was actually made on one mill, at Red Rock, winding up in about the biggest bankruptcy in Ontario's history.

All that has been changed, though of course the commitments of a former government could not wholly be repudiated. But the policy of this government in Ontario is to manufacture Ontario forest products for Ontario pay envelopes, for Ontario workmen performing their labours in Ontario mills and developing Ontario's secondary industries.

As mentioned in the address of his Honour the Lieutenant-Governor, the need of this great province is the encouragement of secondary industry, the manufacture of the maximum of Ontario's products for Ontario use. In a word, we must correct the outflow of Canadian money now feeding foreign markets when we can just as well manufacture here. And we must build or rebuild our foreign markets if we are to maintain the standard of living which we have been accustomed to taking for granted.

This is a time for government, for management, for labour and for everyone to take heed of the future. We cannot afford the

loss of our world markets. We cannot afford industrial shut-downs, whether caused by loss of business or by irresponsible strikes or lock-outs.

Sweden, for example, is one of the most prosperous democracies in the world today. There has been just one large strike in recent years. Why? Because labour and management sit down together and consider 3 points.

Mr. R. Gisborn (Wentworth East): You give some thought to that!

Mr. Gomme: You listen, boys! What are the demands of labour—

Mr. K. Bryden (Woodbine): Democratic government—that is what we need here!

Mr. Gomme: Second, what are the views of management? Third, what will be the effect on the economic life of this nation?

The economic future of this province and of the nation depends greatly on the development of secondary industry. Such industry tends to be in the hands of the large corporations, and I have very little patience with the demands of the socialist elements in this country, that we should exact undue tribute in this quarter. Already, about 52 cents out of every profit dollar of our large corporations goes to the federal treasury, to say nothing of provincial and municipal taxes.

The capital of corporate business is derived from invested savings of the people, plus the profits plowed back into the respective operations. We should, therefore, bend our efforts to encourage the development of institutions, of manufacture, of trade and of commerce.

Secondary industry is our largest employer—the greatest provider of all pay envelopes in this province. In my own riding of Lanark, and right at this time, we have many examples of what can be done in that field. The closing of the Frost and Wood plant at Smiths Falls threw a large number of long-time employees out of work. Now what did the people do? They did not go weeping to Ottawa; they did not come crying to Queen's Park. Municipally and as a community, they put their shoulders to the wheel.

Mr. Singer: And raised the taxes!

Mr. Gomme: And as a result of municipal and community efforts, the Hershey Chocolate Corporation are establishing a plant in Smiths Falls. They will employ probably 300 men and women. More than this, they will use up to one million pounds of milk per day. Just think of what this will mean to the great

dairy industry which is centred so largely in eastern Ontario.

Interjections by several hon. members.

Mr. Gomme: The woollen industry was traditionally one of the mainstays of industry in the whole Ottawa valley. Today this industry is but a shadow of its former self. Again, our people went to work. They have secured an electronics plant, a steel fabricating plant, while still another plant has turned to the manufacture of synthetic yarns. The industry is available. The thing to do is to sell our bill of goods, get after suitable industries and get them located where there are adequate facilities, such as transportation, markets, local facilities, and so forth. Down where I come from the people are not leaners. They have bred in them the pioneer spirit which has made this province what it is today.

Applause and desk pounding.

Mr. Gomme: I have been indebted, in a great measure, to the member-elect for Temiskaming in respect of his great knowledge of the north and the research which he has done. In some degree I feel that I am speaking for him, and I shall look forward to hearing him address this assembly as the session proceeds.

The speech of His Honour contains what to me seemed to be a sentence of great importance. I quote:

You will be asked to vote funds to insure that no student who has the talent and ambition to attend university is deprived of the opportunity through the lack of financial means.

His Honour spoke of the great success of the scholarship programme of this government, the scholarships being awarded to grade 13 students acquiring 80 per cent. or higher in 8 subjects.

There has been much loose talk from the Opposition quarters about free university education. There is very little that is free in these days.

Mr. Singer: Are you opposed to it? That is a good one.

Mr. Gomme: Second, universities are for the training of those who can reasonably benefit from the facilities which are offered.

There are many students who can benefit from university training. There are others who are not capable of absorbing such training. Without going into detail, may I say that, in my opinion, the system adopted by this government of scholarships and bursaries,

coupled with student loans on very easy terms, is not only separating the sheep from the goats, but represents very much more in this field than ever has been attempted before.

General pounding of desks.

Hon. A. K. Roberts (Attorney-General): How do you like that?

Mr. Gomme: By 1966, according to the estimate contained in the address presented by His Honour, we shall have to provide accommodation for 500,000 more pupils than there are attending schools this year. Our school population will be 3 times what it was in 1945.

As the hon. Prime Minister has so often said, our education expenditures have not only increased many-fold; they will have to continue to be increased year by year. Provincially, under a former government, they were \$13 million a year. This year they will far exceed \$200 million, and as the hon. Prime Minister has intimated, there is only one way for them to go, and that is up.

We had, I think, 4 universities when this government took office. Today we have 11. Is this not evidence that this government is aware of the demands of education? For certainly our universities could not survive save for the assistance they receive from the provincial treasury.

I must congratulate the hon. Minister of Public Works (Mr. Connell) on his sponsorship of the most impressive public works programme in Ontario history.

Mr. J. Trotter (Parkdale): Oh, come now!

Mr. Gomme: Of particular interest to eastern Ontario is the programme for the expansion of the Eastern Ontario Institute of Technology at Ottawa. The institute, smaller in size, of course, than Ryerson Institute in Toronto, is carrying on magnificent work for people who wish to have something more than high school training but do not elect to attend a university.

Just before I leave the subject of education, I should like to mention education grants as affecting that great riding of Lanark.

Under a former government, at least one or two of the hon. members opposite may recall, these grants were about \$80,000. Today, they are around the \$750,000 mark.

Just where would our municipalities be were help of this kind not forthcoming? We have more schools and better schools. We have well qualified teachers who are drawing adequate salaries. In this field alone, we have

a record which would be a credit to any administration.

Mr. Singer: You have not any credits, only debts!

Mr. Gomme: Painful though it may be, I must direct the attention of the House to the doings of a government of another political persuasion. One of the first acts of the government of that day was to stop work on the construction of a hospital and school in the town of Smiths Falls. Preliminary work had been done but it was stopped, men were thrown out of work, unused materials were carted away and sold.

At this time there was just one Ontario institution for mental defectives, namely, the one at Orillia—hopelessly overcrowded and with a waiting list of 2,500 people.

Yes, the government of that day in its 9 years' reign did something to expand hospital accommodation for the defectives. They built a frame shack for 60 patients on the Orillia grounds. You can see it standing there today—a fitting monument to its ineptitude.

When the Progressive-Conservative government again took over, one of their very first acts was to acquire a new hospital site in Smiths Falls, yes—

Mr. Singer: Give the hon. Minister of Health (Mr. Dymond) some money and let him do the job.

Mr. Gomme: Yes, I forgot to tell you that that former government sold the old site. There stands today on that site one of the finest institutions of its kind in the whole world.

A huge hospital, caring for over 2,000 patients, mostly children and more than 900 faithful and efficient people are devoted to the care and the training of the patients in this hospital and school. Here I am going to suggest for the consideration of the hon. Minister of Health and the hon. Minister of Public Works, that I understand consideration is being given to constructing a 500-bed addition essentially for the care of children of very tender years.

Such a project would help round out the facilities of a great institution and would be a forward step in the problem of giving adequate accommodation for the unfortunate segment of our population. Perhaps a programme there would solve the winter work programme, if not this winter, certainly next—

Laughter.

Mr. Gomme: —assuming that unemployment still troubles our economy. I learned from the member-elect for Temiskaming something of the pleasure of the people of northern Ontario in that this administration has not only provided an 800-bed hospital for mental cases at Port Arthur, but has also duplicated this institution at North Bay.

I need scarcely add that provision of mental hospital accommodation for northern Ontario was long overdue, and the great institutional programme launched in this part of the province is something which will always stand to the credit of this administration. The hon. Ministers, who I have just mentioned, also deserve the warmest commendation for the establishment of a 1,250-bed mental hospital and school at Cedar Springs.

Clapping.

Mr. Gomme: Then in the east, we have acquired large extensions to the mental hospitals at Brockville and Kingston, institutions long-established and carrying on a magnificent work.

Turning for a moment to the subject of highways, it is of special interest to us from the east, that the hon. Minister of Highways (Mr. Cass) is tomorrow opening the initial section of the Queensway, a 10-mile expressway, cutting through the heart of Ottawa and the first project of its kind in Canada.

Mr. Singer: What about highway No. 401?

Mr. Gomme: Just a minute. The section being opened tomorrow is the easterly part of the project which, when finished, will cost \$35 million. At the same time, the hon. Minister is opening 4.5 miles of a dual-lane trans-Canada highway running easterly from the eastern end of the Ottawa Queensway.

These projects, of course, are actually major portions of the trans-Canada highway. Four government bodies are concerned, namely, the government of Canada, the Ontario Department of Highways, the city of Ottawa and the national capital commission.

In Lanark, we are particularly happy over the completion of the trans-Canada highway which is bound to result in a tremendous amount of increased trade between east and west, to say nothing of the benefit to the tourist industry.

During the life of this government, The Department of Highways has spent at least

\$10 million on extension on King's highways, whereas in years previous to the advent of this government—

Mr. Whicher: Ten million dollars, that is not very much.

Mr. Singer: Where do you get the money, George?

Mr. Gomme: —King's highway expenditures in Lanark were \$68,000. Also, during the life of this government, well over \$4 million has been expended in municipal road grants, and for the construction of development roads in Lanark. I should like to draw to the attention of the hon. Minister of Highways, the condition of highway No. 29 between Carleton Place and Almonte. This highway was last paved in 1932, and is badly in need of a complete renovation job.

Interjection by Opposition: Terrible, terrible.

Mr. Gomme: At Smiths Falls a great need is an overpass where highway No. 29 crosses the railway. The level crossing here is a valley and two right-angled turns are involved. I have been urging upon the department for some time the necessity of rectifying this situation, and I sincerely hope that the work may be undertaken soon.

Another piece of construction which would be of great benefit and especially to the tourist industry, is the building of a new highway from highway No. 15 through Rideau Ferry to the town of Perth.

Mr. Singer: We will do that for you too.

Mr. Gomme: These suggestions I leave for the consideration of the hon. Minister. The development of facilities in eastern Ontario under present administration has been nothing short of fantastic.

An hon. member: Fantastic, all right.

Mr. Gomme: You like that boys? Just wait a minute, wait till you hear it. I refer to the great hydro power plants on the Ottawa river, and I need only mention a few: Des Joachims, Cheneaux and the Otto Holden. I mention also the Stuartville development on the Madawaska. Then we have coming into operation shortly the atomic energy plant at Chalk river.

Overshadowing all these developments, however, is the mighty St. Lawrence hydro development, today pouring 1.1 million horsepower into the lines of the Ontario Hydro.

Mr. Singer: What's your line now?

Mr. Gomme: The credit for this mammoth undertaking must go in the main to the hon. Prime Minister of this province—

Applause.

Mr. Gomme: —and also to the organizing ability of the late Hydro chairman, Robert Saunders.

It is of interest, I think, that right now, Hydro is installing a steam electric plant at Lakeview in Toronto area, which in output will overshadow the St. Lawrence development and which indeed, will be one of the largest power plants in the world.

Another item of special interest to the east is the development of the St. Lawrence Parkway under the direction of a commission of which the hon. member for Leeds (Mr. Auld) is a distinguished member.

There is no doubt, that as time goes on, the driveway from the Bay of Quinte to the Quebec border will become one of the beauty spots of Ontario.

I think I should say a word for our civil servants who are responsible for many courtesies extended to us as members of this assembly.

No civil service will ever attain all its ambitions, but this I would point out; the members of our civil service today have more security, tenure of office, better salaries, better pensions, better working conditions in general, than they have ever had before.

An hon. member: You have got more of them, I will say that!

Mr. Gomme: If a grievance or an alleged injustice appears, there is every opportunity for appeal. This government, I suggest, has always been a fair, just and humane employer, which is indeed as it should be.

Forty-six years ago, Mr. Speaker, a great Conservative Prime Minister of Ontario stood before an audience which jammed Massey Hall in this city of Toronto. He had but recently emerged from the dark valley, which a few months later he was to enter for the last time. But 6 days after his Massey Hall appearance, Sir James Whitney was to be returned to office with a huge majority.

Sir James Whitney said in part:

The people of Ontario have given me their confidence in full measure, heaped up, pressed down, shaken together and running over.

Mr. G. T. Gordon (Brantford): Amen.

Mr. Gomme: I continue the quotation:

And as long as my renewed health and strength are vouchsafed to me, I shall be at their disposal, and endeavour to give them the same faithful service that I have given in the past.

Mr. Speaker, it has been my privilege to serve under the present hon. Prime Minister of this province who heads this government and leads the party to which I belong, to have occupied his high post for a longer time than his distinguished predecessor whom I have just mentioned. For 23 years as a private member in Opposition, as Provincial Treasurer, as Minister of Mines, as Prime Minister, he has served Ontario with distinction and devotion.

Banging on desks.

Mr. Gomme: And, like Sir James Whitney, he can say:

The people of this province have given me their confidence in full measure, heaped up, pressed down, shaken together and running over.

Mr. Gordon: Amen.

Mr. Gomme: In 7 general elections, the people of Victoria riding have expressed their confidence in the man who heads this government, and leads this party. In 3 general elections and 20 by-elections, the people of this great province have given this same leader their confidence in full measure, heaped up, pressed down, shaken together and running over. It is an honour to me to serve under his leadership and direction. It is an honour the people of Lanark that I am permitted to make this address today.

Mr. Singer: The second choice!

Mr. A. Evans (Simcoe Centre): Mr. Speaker, as a newly elected member of this assembly, I am deeply appreciative of the opportunity of seconding the motion of the hon. member for Lanark (Mr. Gomme) for the adoption of the address graciously presented by His Honour the Lieutenant-Governor of Ontario (Mr. Mackay).

It is an honour to me and to the people of the riding I am privileged to represent.

Firstly, Mr. Speaker, may I express to you my thanks for the many courtesies already extended to me as a very junior member of this Legislature. Out of your long experience in many capacities in this House, you have guided and assisted me in many ways. These courtesies are something I shall always remember.

I am sure that every hon. member of this House joins me in expressing regret at the passing of my predecessor, the late George Johnston, who for 17 years represented the riding of Simcoe Centre in this honourable body.

Quiet, courteous, modest and retiring by nature, the stature of George Johnston in his whole community is evidenced by the fact that for 17 years the people who knew him best honoured him by choosing him as their representative. In 6 successful general elections, he was the Progressive-Conservative candidate in Simcoe Centre. On each occasion, he was elected by a steadily increasing majority.

George Johnston was, as I have said, a quiet man, modest and unassuming. He was a successful farmer and manufacturer, respected in his business endeavours, faithful and attending to his legislative duties, and always mindful of the welfare of his constituents regardless of their party affiliation. In the full sense of the term, George Johnston was a good citizen who will be missed by all who knew him best. I am sure that the sympathy of all of us is extended in the fullest measure to the members of the family who survive him.

It was not my privilege to enjoy the acquaintanceship of Mr. A. Robert Herbert, who represented the great northern riding of Temiskaming in this assembly, from 1951 until his sudden, and much regretted, death in recent months.

During the past days, I have heard many of my colleagues express their profound regrets at Mr. Herbert's passing. His election to this House in 3 successful general elections indicates the warm esteem in which he was held in his constituency. It is obvious that he was a faithful servant.

I know, also, that he was an effective member of the Ontario Northland Railway commission. His sudden and totally unexpected death at only 46 years of age, was I am sure, a shock to the hon. members of this House and a very great grief to his widow and to the young children who survive him. I am sure that our sympathy is extended in the fullest degree to the widow of the deceased member and to his other surviving relatives.

We have learned, in recent days, that it is the intention of Her Majesty, Queen Elizabeth II, accompanied by her distinguished husband, Prince Philip, Duke of Edinburgh, to visit certain of her Dominions within the Commonwealth during the coming year. My understanding is that Her Majesty will visit both India and Pakistan.

Her Majesty's visit of last year on this side of the Atlantic made a profound impression on her subjects in this Dominion, and all the people of our powerful neighbour and ally, the United States.

The monarchy is the link which more than any other, binds together the Commonwealth countries with their diverse races and religions, which constitute this great congress of nations.

We rejoice with Her Majesty and her distinguished husband in the birth, in recent months, of a second son. It is, I am sure, the hope of all of us that Her Majesty will again honour us with her gracious presence in the not too distant future.

We all remember, with pleasure and gratitude, the visit in recent years of Her Majesty's sister, Her Royal Highness, the Princess Margaret. Her visit to our province is commemorated by the Princess Margaret Hospital standing a few blocks from this building. It is one of the best equipped institutions for cancer research and treatment in the whole of America.

Our solicitations and good wishes are extended to Her Royal Highness on occasion of her marriage to Mr. Antony Armstrong-Jones. May all happiness attend their union.

Needless to say, I was happy to be chosen by the people of Simcoe Centre to complete the term of my late friend George Johnston. I was particularly happy in that the people of Simcoe Centre, once again, evidenced their loyalty to Simcoe Centre's most distinguished son, the hon. Prime Minister of this province (Mr. Frost). In the campaign which I entered on September 29 last, I believe that almost every hon. member of Her Majesty's Opposition in this House visited Simcoe Centre to put their weight behind their candidate. Their, at times hysterical, efforts, their irresponsible and varying promises, and the weight of men, money and advertising, which they threw into this campaign, looked rather paltry when compared with the solid record of accomplishment which we were able to place before our people.

I am familiar with that record, particularly as it applies to Simcoe Centre. The people of Simcoe Centre are familiar with it and it is obvious that they registered their votes accordingly.

I am not going to deal with the campaign of the CCF or the New Party or whatever the name may be. There is very little interest in socialism in the community where I live. It is a discredited political philosophy wherever it has been tried, and I am sure that the people of this great province will profit

from the history of socialism and its failures, to the point where we shall never have to suffer under a socialist government.

I propose now to speak very briefly of our experience in Simcoe Centre under this government, and may I add that the record of the present administration in my own riding is one which has been duplicated all over Ontario.

We have, in the Simcoe area generally, one of the great tourist centres of Ontario. There is no more popular resort area than that surrounding Lake Simcoe, Couchiching. These beautiful, sheltered, inland lakes, located only a few miles from Toronto, with its 1.5 million people, are increasingly popular.

Then we have the Georgian Bay area with Wasaga Beach, to mention only one of several. Good highways are essential in making the most of these great natural resources. Thanks to the programme of this administration, good highways have been built, and are being built in a programme never before remotely approached.

The northerly extension of highway No. 400 to Coldwater is a tremendous relief to tourist traffic in an extremely popular vacation area.

Throughout the summer season, the weekend traffic is extremely heavy on both highway No. 11 and highway No. 400, but just consider what the situation would be had this administration failed to push highway No. 400 through to completion. It was encouraging to all of us who live in tourist areas to learn, from an address recently delivered at the meeting of the Canadian Good Roads Association by Deputy Minister of Highways, W. J. Fulton, that highway No. 400 will eventually be extended into the Muskoka tourist and resort area.

The widening of highway No. 11 has given a very real measure of relief and has added greatly to the safety factor.

I must congratulate the hon. Minister of Highways (Mr. Cass) on his recently announced plans to make highway No. 11 a dual-lane highway from Bradford to Fennell's Corners, a distance of 8 miles. This work, I understand, is scheduled for completion in 1961. There have been many serious and fatal accidents on highway No. 11 between Bradford and Barrie because of the numerous hills and valleys. I have no doubt that the work now proposed will eliminate many of the danger spots.

The installation of traffic lights at the intersection of highways Nos. 27 and 93 is

another safety measure which is much appreciated.

The paving of highway No. 88, from highway No. 27 east to Bradford, is another improvement long needed and amply proving its worth.

Before I leave the subject of highways, there is one matter which I should like to submit for the earnest consideration of the hon. Minister of Highways.

At Bradford in the centre of the town highway No. 11 takes a right-angled turn. This highway remains and will always remain a very heavily travelled one, especially in the summer season and notwithstanding the heavy traffic which uses highway No. 400. I would like to suggest the installation of a traffic light at the corner I have mentioned, that is at the intersection of highways Nos. 11 and 88. As matters stand, it is often both difficult and dangerous for pedestrians to cross at this corner.

I believe that the installation of a light is justified and it would indeed be welcomed by our people.

Even with highway No. 400 in full operation, and with the great improvements on highway No. 11, we are going to need more north and south highways. Our people in the resort areas were very glad to hear the recent announcement as to the construction of a new route, to be numbered 404, and to lead from the easterly part of the Toronto metropolitan area to the areas lying east of Lake Simcoe. I understand that construction of this new, dual-lane highway will be geared to the completion of the Don Mills Parkway in eastern Toronto.

In 1958-1959 according to figures I have been able to obtain, the expenditure on King's highways in Simcoe Centre was, in round numbers, \$2.6 million. In the previous year it was \$1.7 million, and the year before it was \$1.9 million.

While comparisons at this late date perhaps do not mean too much, I might mention that back in 1943, under a government of another complexion, the King's highways expenditures in Simcoe Centre were just \$129,000.

Again, municipal road subsidies in the riding were \$590,000 in 1959, \$550,000 in 1958, and \$567,000 in the previous year. These subsidies are paid to all municipalities—cities, towns and incorporated villages, as well as counties and townships. Recognition of the road and street problems of cities, towns and villages, was something left to this government but ignored by their predecessors.

The construction of development roads is also worthy of commendation. Such expenditures in the riding I have the honour to represent have amounted to nearly \$800,000 in the last dozen years. They involve some 20 different projects.

I might mention also two other much needed pieces of construction. First is a new bridge over the Nottawasaga river along with construction of a new road to connect highways Nos. 26 and 92. Second, a new bridge at Atherley is about to be built as an improvement on highway No. 12, which here is a part of the trans-Canada route.

Our borders are dotted by some 14 tourist and information centres which are doing most useful work in helping visitors who are entering Ontario. However, Ontario is a big province, and the tourist often needs considerable guidance, once he heads into our great tourist areas.

I congratulate the hon. Minister of Travel and Publicity (Mr. Cathcart) and the hon. Minister of Public Works (Mr. Connell) in establishing what I believe is the first inland tourist and information centre located south of Barrie. From what I can learn from the sketches of the project, I am sure that this centre will be completely modern and thoroughly well equipped. It will be a credit to the departments concerned, and it will be invaluable in guiding tourists not only in the Simcoe area but also those who are heading for Muskoka, Parry Sound and other vacation areas.

Here, I should like to say a word about our provincial parks. Just a few years ago we had 6 provincial parks. Now we have more than 100. Up in my part of the country we have Wasaga Beach; one of the most famous and heavily patronized resort areas in Canada.

This has recently been constituted a provincial park and is to be fitted with all necessary conveniences—parking and trailer areas—tables and benches—electricity—and all the other amenities found in such resorts. The local municipalities have done their best for many years to supervise Wasaga Beach, but they will welcome relief from the burdens they have hitherto borne.

One of the outstanding contributions lies in the support now afforded respecting homes for the aged. These homes were formerly municipal enterprises except for those operated by philanthropic organizations. The province helped out by a grant of 10 cents per inmate per day.

All that has been changed. Today, a major part of construction and maintenance costs has been assumed by the province with some

help from Ottawa. The result is that we have new homes and better homes all over Ontario.

Plans are already completed for a 50-bed extension at the Penetanguishene home for the aged, serving Simcoe county. In these new and modernized homes we have husband and wife accommodation. We have ample dietary arrangements, special care for the ill or infirm. More than this, we are encouraging the people of the community to take a lively interest in those who are spending their declining years in surroundings which are superior to anything we have previously known in this field. We are trying to make these elderly folks feel they are still a part of the community.

For many years The Department of Health has operated the Ontario Hospital at Penetang. Recently, the accommodation for the so-called criminally insane has been doubled so that there are now quarters for 300 of these unfortunates. The hospital proper cares for about 450 patients. While the main building is old, it is well maintained and it is staffed by capable physicians and kindly, well-trained nurses and attendants.

I suggest to the hon. Minister of Health (Mr. Dymond) that in his vast plans of Ontario Hospital expansion he might give serious thought to enlarging at Penetanguishene. The site is both historic and beautiful and there is ample room for expansion. This thought I leave with the hon. Minister.

Before saying a word about education, I should like to mention Christian Island, where some 400 or 500 of our Indian friends have their abode. The island, as most of you know, has always been an Indian reservation.

Educational facilities have been recently stepped up by the Indian Affairs Department through construction of a new school.

I am fortunate in enjoying the friendship of Chief Louis Jackson who gives outstanding leadership to his people on this reservation.

Our Indian citizens are well mindful of the fact that they acquired the right to vote from this government, and that they now enjoy full citizenship insofar as it is within the power of this Legislature to confer it. These rights they appreciate to the full, and they enjoy a new dignity so long delayed but finally acquired.

Important though it is, the aid given to education by this administration is not confined to finances. This year the province is devoting over \$200 million to education grants. It is giving aid on an ever-expanding scale. It is helping support, I think, all universities instead of 4 or 5 as formerly.

In the fiscal year ended March 31 last,

education grants in Simcoe Centre were \$1.4 million. This is more than 25 times as much as there were under a former government—something for our hon. friends of the Opposition to think about. I am not, of course, forgetting about population growth, inflation, new schools, better teachers, salaries and all the rest of it.

The teacher shortage has been met and overcome. Something for which I should congratulate the hon. Minister of Education (Mr. Robarts). This situation has been remedied through various means.

I might mention the construction of new teachers' colleges in eastern Toronto and New Toronto, Hamilton and London. Another is being established at the Lakehead and still another is planned for the Windsor area.

The crash training programmes are now largely being eliminated and the teacher supply has increased to the point where higher and still higher standards can be imposed. I understand that for the future, in all schools of 300 pupils or more, the principal will now be required to have at least a Bachelor of Arts degree.

One feature with which we happily do not have to contend in this province of Ontario is that of segregation or integration. Adjacent to my home is the great Holland marsh—by far, I should say, the most highly productive area in all Canada. A few years ago this whole area of thousands of acres was what was deemed worthless swamp. Thanks to the vision of a few people, thanks to modern engineering, and thanks more than all to the hard, honest work of a great many people, the Holland marsh has become the scene of livelihood for many of our finest citizens.

Here, some 3,500 people of dozens of nationalities live together in peace and harmony. They work together. They worship in their various churches. Their children attend the same schools. They have a solid community spirit. Given a chance, yes, half a chance, it shows what the New Canadian can accomplish in this land of opportunity. I am indeed proud to number so many of these people among my friends and supporters.

We are not, however, without our forest resources in Simcoe Centre. We have 30,000 acres under reforestation. One of our greatest assets is the Midhurst forest station. Then we have the Henry forest planned in 1923.

At Midhurst we have the popular Springwater park being steadily developed. All these projects are great assets—today—and for the future.

One of the most acute problems facing our governments today is that of finance. The

federal government has enormous revenue sources; income tax, corporations tax, customs and excise and numerous other fields.

Our municipalities have the fruitful field of real estate taxation. There are, however, limits to which this field can be cultivated. Just ask any farmer or home-owner.

Provincially we have the federal subvention. We have gasoline tax, succession duties, a corporations tax, liquor profits and various lesser sources of revenue. But provincial fields have their definite limitations. In addition, the province today contributes to the municipalities by way of grants-in-aid, on a scale never before contemplated.

Today this province is paying out to the municipalities \$345 million a year, or 45 per cent of the whole provincial budget. To each \$1 raised municipally, the province is adding 50 cents.

Provincial grants to the municipalities are 19 times as much as they were when the government of this province was entrusted to the representatives of the Progressive-Conservative party.

One may ask whether with the ever-increasing demands for money, provincially and municipally, there is one very simple answer, aside from inflation, higher wages, higher material costs, higher everything.

In the last 10 years Ontario's population has increased over 1.5 million. That is just about equivalent to the population of the whole of metropolitan Toronto.

Now look at the public services demanded by a population increase of this size. Think of the facilities in terms of homes, streets, sidewalks, schools, stores, churches, hospitals, water supply and waste disposal. Is it any wonder that our governments, provincially and municipally, are hard pressed?

Ottawa, in effect, has said in recent days it can do no better for the provinces. Ottawa, for one thing, has to lay out \$2 billion a year or thereabouts for national defence. But are we getting value for these billions? I do not know.

But this I do know. There are many elements in national defence aside from armed men, cannon, warships, missiles and so on.

We must have an educated people, a younger generation skilled in the sciences. We must have a strong and healthy people, hence an ample supply of doctors, dentists, nurses, along with abundant hospital accommodation.

We must have an adequate transportation system. We must have a healthy system of secondary industry, not stifled by excessive

taxation. We must have an educated generation.

It follows, therefore, that a multitude of elements—very many of them provincial and municipal responsibilities—enter into the problem of national defence which in turn is the problem of retaining our traditional and democratic freedoms. This is something for Ottawa to remember.

And before leaving this subject, is it not somewhat absurd that British Columbia whose government declares that it has no public debt—that oil-rich Alberta which has almost no public debt—that Saskatchewan which is able to launch a medical care scheme—is it not absurd that these provinces should be treated as have-not provinces—and at whose expense? This is not hard to figure when we realize that this province supplies Ottawa with one-half of its enormous revenue.

I commend—I am sure every hon. member of this House will commend, with no hesitation, the fight being put up by the hon. Prime Minister of this province for a reasonable and equitable division of the tax dollar.

Likewise, I feel that the efforts of the hon. Attorney-General (Mr. Roberts), in co-operation with the Attorneys-General of our sister provinces to provide for constitutional changes without reference to Westminster, will also meet with general approval. Canada has grown up; surely Canada is fully qualified to amend the Canadian constitution without reference to any other parliamentary authority.

Here, I should like to make a suggestion for the consideration of the hon. Attorney-General. I know the hon. Minister is giving consideration to the establishment of new quarters for the Ontario police college.

The city of Barrie, I suggest, is a logical site for the location of this institution. All facilities are available—water, light, sewage disposal and streets, with a network of provincial highways serving the area. A suitable building site can be acquired, perhaps on the shores of the bay. There is ample hotel and restaurant accommodation. Again, the location is a central one, reached readily from every part of Ontario.

Barrie, I scarcely need add, presents all the traditional features associated with a college town. Hence, in selecting a site for the police college, I feel that Barrie has everything to offer and I earnestly request the serious consideration of the hon. Minister in coming to his decision in this important matter.

No head of a government can be expected to hit a home run every time he goes to bat,

but I suggest that the hon. Prime Minister of this province not only has a good batting average but he is also a fine team player. His faith in the future of Ontario, his ability to work through to an objective, and his flair for delegating authority are all factors which can well be a lesson to all of us.

We have heard a lot from the Opposition about what they would do if given the opportunity. One thing, of course, which they never discuss is the cost. But rather let us look for a moment at a few of the highlights of accomplishment of this administration.

Education grants have increased from \$8 million to more than \$200 million a year under this government.

As I have said before, we now have over 100 provincial parks where formerly we had but 6.

The capacity of Hydro has experienced a threefold increase, representing a tremendous undertaking. We have new power developments in the north. The Ottawa river powers have been developed. The St. Lawrence development has been completed. Right now there is being built, adjacent to Toronto, the Lakeview steam-electric plant, probably the world's largest. It will deliver more than our share of the St. Lawrence project. Up at Kincardine, Hydro is building our first commercial atomic-electric plant.

We have new mental hospitals—at Port Arthur, North Bay and Smiths Falls, while another is nearing completion near Chatham. There have been constructed huge extensions to our mental institutions at Brockville, Kingston and Hamilton.

We have attained the lowest tubercular death rate in all Canada—2.9 for each 100,000 population.

We have become during the life of this government one of the world's leading producers of iron ore.

Our trans-Ontario highway from Windsor to the Quebec border, some 500 miles, is nearing completion—years ahead of schedule. This great thoroughway, I suggest, is as important to Ontario as was construction of the Canadian Pacific Railway to Canada.

Our section of the trans-Canada highway is just about completed.

Our municipalities are getting better roads, streets and bridges, in large part because this government is aiding our municipal governments in this field, to the extent of \$75 million a year.

Our Department of Public Works is carrying on the biggest programme in its history,

keeping abreast of the demand for facilities needed because of our increasing population.

To me it is an honour and a privilege to follow the leadership which we are given in this province. In 3 general elections and in 20 by-elections the people of Ontario have said to the hon. Prime Minister of this province and the leader of the Progressive-Conservative party, "Well done, and carry on."

I do not think they are likely soon to change their minds.

Again, I appreciate the honour of addressing the hon. members of the House on this occasion.

I now second the motion of the hon. member for Lanark for the adoption of the address graciously presented by His Honour the Lieutenant-Governor of Ontario.

Mr. H. C. Nixon (Brant): Mr. Speaker, on behalf of the hon. leader of the Opposition

(Mr. Wintermeyer) I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, it was my intention to give to the House an outline of the important matters we would be dealing with next week. But I think my good friend the acting leader, the hon. member for Brant, would agree that, in view of the present decimated condition of the official Opposition due to the "Martin dinner," that I should postpone that till 10.30 o'clock tomorrow morning.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.00 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, November 25, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 25, 1960

10 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome students from the following schools: In the east gallery, Peterborough teachers' college; in the west gallery St. Michael's choir school, Toronto.

Presenting petitions.

Presenting reports by committees.

Clerk of the House: Mr. J. R. Simonett, from the select committee appointed to prepare the list of members to compose the standing committees of the House, presents the committee's report as follows: The committee recommends that the standing committees ordered by the House be composed as follows:

COMMITTEE ON AGRICULTURE

Messrs. Allen (Middlesex South), Auld, Belisle, Boyer, Brown, Carruthers, Chapple, Connell, Davis, Davison, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gisborn, Gomme, Guindon, Hall, Hamilton, Hanna, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Letherby, MacDonald, Mackenzie, MacNaughton, Manley, Myers, McNeil, Nixon, Noden, Oliver, Parry, Rollins, Root, Sandercock, Simonett, Spence, Stewart, Sutton, Whicher, Whitney, Wintermeyer, Worton, Wren—49.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON CONSERVATION

Messrs. Allen (Middlesex South), Brunelle, Bryden, Bukator, Davis, Gisborn, Gomme, Gordon, Hall, Haskett, Innes, Janes, Johnston (Carleton), Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morin, McNeil, Newman, Oliver, Parry, Reaume, Rollins, Root, Rowntree, Sandercock, Sim-

onett, Spence, Stewart, Sutton, White, Wintermeyer—35.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON EDUCATION

Messrs. Auld, Beckett, Belanger, Boyer, Brunelle, Bryden, Carruthers, Collings, Cowling, Davis, Davison, Downer, Dunlop, Edwards (Perth), Evans, Gould, Guindon, Hamilton, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Morin, Morrow, Myers, McNeil, Newman, Parry, Phillips, Price, Rollins, Root, Sandercock, Simonett, Singer, Spence, Stewart, Sutton, Thompson, Trotter, Troy, Whicher, White, Wintermeyer, Wren—50.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON ENERGY

Messrs. Brunelle, Bryden, Bukator, Carruthers, Chapple, Collings, Davis, Gomme, Guindon, Hamilton, Haskett, Janes, Lavergne, Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Myers, McNeil, Oliver, Phillips, Reaume, Rollins, Root, Simonett, Singer, Sopha, Stewart, Thomas, Whicher, White, Whitney, Wintermeyer, Worton—35.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON GAME AND FISH

Messrs. Allen (Middlesex South), Beckett, Belisle, Boyer, Brown, Brunelle, Chapple, Cowling, Davis, Davison, Edwards (Wentworth), Fullerton, Gisborn, Guindon, Hall, Hamilton, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, Newman, Nixon, Noden, Parry, Price, Rollins, Simonett, Spence, Stewart, Sutton, Troy, Whicher, White, Whitney, Wintermeyer, Wren—49.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON GOVERNMENT COMMISSIONS

Messrs. Allen (Middlesex South), Beckett, Brunelle, Bryden, Carruthers, Davis, Edwards (Perth), Grossman, Guindon, Hall, Janes, Johnston (Carleton), Lawrence, Lewis, MacDonald, MacNaughton, Morrow, McNeil, Nixon, Oliver, Parry, Phillips, Price, Reaume, Sandercock, Singer, Sopha, Sutton, Thomas, Trotter, Whicher, White, Whitney, Wintermeyer, Wren—35.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON HEALTH AND WELFARE

Messrs. Auld, Belisle, Boyer, Brunelle, Brown, Bukator, Carruthers, Chapple, Cowling, Davis, Davison, Downer, Dunlop, Edwards (Perth), Edwards (Wentworth), Evans, Gomme, Guindon, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Morin, Morningstar, McNeil, Newman, Noden, Oliver, Parry, Phillips, Price, Rollins, Root, Sandercock, Simonett, Spence, Stewart, Sutton, Thomas, Thompson, Trotter, Troy, White, Wintermeyer, Worton—50.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON HIGHWAYS AND HIGHWAY SAFETY

Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Collins, Cowling, Davis, Edwards (Perth), Edwards (Wentworth), Fullerton, Gisborn, Gomme, Gordon, Grossman, Guindon, Hall, Hamilton, Hanna, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morrow, Noden, Price, Reaume, Rollins, Root, Simonett, Singer, Stewart, Sutton, Thomas, Thompson, White, Wintermeyer, Worton, Wren—50.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON LABOUR

Messrs. Auld, Beckett, Belanger, Belisle, Cass, Collings, Daley, Davis, Davison, Downer, Edwards (Wentworth), Gisborn, Gomme, Grossman, Hamilton, Hanna, Haskett, Lavergne, Lawrence, Macaulay, MacDonald, Maloney, Morningstar, Myers, Newman, Reaume, Rowntree, Sopha, Trotter, Ward-

rope, White, Wintermeyer, Worton, Wren, Yaremko—35.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON LANDS AND FORESTS

Messrs. Allen (Middlesex South), Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Bukator, Carruthers, Chapple, Downer, Evans, Fullerton, Gisborn, Gomme, Gordon, Guindon, Hamilton, Haskett, Innes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lyons, MacDonald, Mackenzie, MacNaughton, Morningstar, Morrow, Myers, McNeil, Noden, Phillips, Price, Rollins, Sandercock, Simonett, Sopha, Spence, Sutton, Thompson, Troy, Wardrope, White, Wintermeyer, Wren—49.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON LEGAL BILLS

Messrs. Beckett, Cass, Davis, Davison, Downer, Dunlop, Gould, Grossman, Hall, Hanna, Haskett, Lawrence, Macauley, MacDonald, Maloney, Myers, Noden, Parry, Price, Rowntree, Singer, Sopha, Trotter, Wintermeyer, Yaremko—25.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON MINING

Messrs. Belisle, Boyer, Brunelle, Bryden, Chapple, Collings, Davis, Evans, Fullerton, Gisborn, Gomme, Gordon, Grossman, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, MacDonald, Mackenzie, Manley, Morin, Morrow, Nixon, Noden, Price, Rollins, Rowntree, Sandercock, Sopha, Troy, Wardrope, Wintermeyer, Worton, Wren—34.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON MUNICIPAL LAW

Messrs. Auld, Beckett, Belanger, Belisle, Brunelle, Bryden, Bukator, Collings, Cowling, Davis, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gomme, Grossman, Guindon, Hall, Hamilton, Haskett, Janes, Johnston (Carleton), Lavergne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morin, Myers, McNeil, Newman, Oliver, Parry, Price, Reaume, Root, Rowntree, Sandercock, Singer, Stewart, Sutton, Thomas, Whicher, Whitney, Wintermeyer, Worton, Yaremko—50.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON PRINTING

Messrs. Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Cowling, Evans, Fullerton, Gisborn, Gomme, Hamilton, Haskett, Janes, Johnston (Carleton), MacDonald, Manley, Morin, Parry, Whitney, Wintermeyer, Worton, Wren—25.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON PRIVATE BILLS

Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Carruthers, Collings, Cowling, Davis, Dunlop, Edwards (Perth), Fullerton, Gisborn, Gomme, Gordon, Gould, Grossman, Guindon, Hall, Hamilton, Hanna, Haskett, Innes, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, Newman, Oliver, Parry, Price, Reaume, Rollins, Root, Sandercock, Simonett, Singer, Sopha, Stewart, Sutton, Thomas, Trotter, Troy, Whicher, White, Whitney, Wintermeyer—60.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON PRIVILEGES AND ELECTIONS

Messrs. Boyer, Brunelle, Collings, Davis, Dunlop, Gomme, Grossman, Lavergne, Lawrence, Letherby, MacDonald, Myers, Oliver, Trotter, Wintermeyer—15.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON PUBLIC ACCOUNTS

Messrs. Auld, Beckett, Boyer, Brown, Bryden, Collings, Cowling, Davis, Downer, Dunlop, Edwards (Perth), Edwards (Wentworth), Fullerton, Gomme, Gould, Grossman, Guindon, Hanna, Haskett, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lyons, MacDonald, Mackenzie, MacNaughton, Morrow, Myers, Nixon, Noden, Oliver, Parry, Reaume, Rollins, Rowntree, Sandercock, Simonett, Singer, Sutton, Thomas, Trotter, Whicher, White, Whitney, Wintermeyer, Worton, Wren—49.

The quorum of the said committee to consist of 7 members.

COMMITTEE ON STANDING ORDERS

Messrs. Allen (Middlesex South), Auld, Belisle, Fullerton, Gordon, Hall, Hanna, Janes, Lavergne, Lyons, MacDonald, Mac-

kenzie, MacNaughton, Manley, McNeil, Newman, Noden, Parry, Sandercock, Sutton, Thomas, Troy, White, Wintermeyer—24.

The quorum of the said committee to consist of 5 members.

COMMITTEE ON TRAVEL AND PUBLICITY

Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Chapple, Collings, Cowling, Davis, Davison, Downer, Edwards (Perth), Fullerton, Gisborn, Gomme, Gordon, Gould, Grossman, Guindon, Hamilton, Haskett, Janes, Johnston (Parry Sound), Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Morin, Newman, Noden, Parry, Reaume, Rollins, Root, Sandercock, Simonett, Thompson, Troy, Wardrope, Whicher, Whitney, Wintermeyer, Wren—50.

The quorum of the said committee to consist of 7 members.

Mr. R. M. Whicher (Bruce): Mr. Speaker, I wonder if I could say a word about that report. I was a member of the committee and it is certainly not my intention to criticize hon. members who were made members of the various committees.

However, I would like to bring to the attention of the House the possibility that, in future, there not be as many on each committee.

For example, I think that we all, myself included, sometimes like to have our names mentioned as perhaps a member of the agricultural committee, or a member of private bills, or government committees, because we like to see our name as a member of such committee. We may like to give the impression to our constituents back home that we are doing a whole lot of work.

With this in mind, I am afraid that perhaps we are sacrificing some of the efficiency we might have, by having smaller committees. All of us know in this honourable House, that while we have 50 or 60 members on various committees; in reality only a few turn up.

It is not by any means the fault of all hon. members if they do not turn up, because some of us are in so many committees and there may be several running at the same time, making it absolutely impossible to be in two or three places at once.

As an example, on the private bills committee this year and last, we had a total number of 60 on the committee out of a House of 98. Yet the quorum required to duly constitute the same committee is only

7 members. In the agriculture and in the education committees, we have 50 members, yet a quorum of 7 only is required.

Last year, I noticed that in some of the committees on which I was a member, and which might not have been too interesting, there would perhaps be only a handful of members present, in spite of the fact that there were probably 50 hon. members on the committee.

Nevertheless, where there was something very interesting going on, all the hon. members would attend. As a result, there were so many present that some of us could not get a word in edgeways. Therefore I—

An hon. member: That is bad.

Mr. Whicher: I am not suggesting that this is bad, at all, but I suggest that in the future we might take into consideration the possibility of reducing the size of these committees, so that perhaps all hon. members would be a member of say 3 committees.

By doing so we would be much more efficient.

We would be able to attend the committees to which we belong, and we would be able to really study the subject on hand. As I said, Mr. Speaker, it is certainly not my intention to criticize the report that has been brought in. As a matter of fact, as I said, I was a member of that committee and I agree with it. But I bring this up as a suggestion of something that might be done in the future.

Applause.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, might I say that the select committee on which sat the hon. member for Essex North (Mr. Reaume) and the hon. member for Dovercourt (Mr. Thompson) did not have quite that view. I do not think my hon. friend has discussed the matter, perhaps, with his colleagues who sat on the committee—

Mr. Whicher: I have not discussed it with anyone.

Hon. Mr. Roberts: —but in any event, I would suggest that if this matter is to be debated, perhaps the proper time would be when the report is being considered in the House.

Mr. T. D. Thomas (Oshawa): May I ask the hon. Prime Minister (Mr. Frost) whether it is the intention to continue along the same lines as last year, having all committees work on Wednesday?

Hon. L. M. Frost (Prime Minister): I think so, yes, once we get going. We were planning to have the arrangement based on meetings on Wednesdays if that is agreeable, but I would like the House to adjourn on Wednesday due to certain things I am going to mention.

I would like to say that we can discuss the question of committee membership when the committee report is being discussed. The matter has been considered over very many years and, as a matter of fact, in the end, the large committee has carried the day for the reason that it gives hon. members the opportunity of sitting on those committees in which they are interested.

In a very great many cases, of course, these committees consider routine matters. But let me give this example. This year it is proposed to give hon. members a complete insight into the working of hospital insurance. Previously, some 3 or 4 years ago, we had the same committee consider the matter in a way by which hon. members of the House could ask questions in connection with the formation of the plan.

I suppose there are probably 50 or 60 members on that committee, and when such questions arise, the hon. members would want to be there.

By limiting the committee to, say, 15, there may be some matter of efficiency involved, but nevertheless, we do not get the broad viewpoint of the hon. members of the House.

As far as I can recollect, this matter has been a consideration for 20 years. However, as I say, the point my hon. friend mentioned has great validity; and although it has been brought up before, it can be discussed at some later time.

Mr. Speaker: Motions.

Introduction of bills.

THE HOURS OF WORK AND VACATIONS WITH PAY ACT

Mr. R. Gisborn moves first reading of bill intituled, "An Act to amend The Hours of Work and Vacations With Pay Act."

Motion agreed to; first reading of the bill.

THE LABOUR RELATIONS ACT

Mr. D. C. MacDonald moves first reading of bill intituled, "An Act to amend The Labour Relations Act."

Motion agreed to; first reading of the bill.

THE FAIR ACCOMMODATION PRACTICES ACT, 1954

Mr. Gisborn moves first reading of bill intituled, "An Act to amend The Fair Accommodation Practices Act, 1954."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, I should like to give the hon. members of the House, subject, of course to their approval, the programme for this coming week.

First of all, on December 1 and 2—that is Thursday and Friday—there is a conference of provincial premiers at Quebec, called by hon. Mr. LeSage, the invitation to which I accepted some time ago. With the permission and acquiescence of the hon. members of the House, I propose to be there.

Mr. H. C. Nixon (Brant): We would not want the hon. Prime Minister to miss it under any circumstances.

Hon. Mr. Frost: The conference is on the first and second, so that I have to crave hon. members' indulgence to enable us to do certain other things on the first, second and third days of the week. This does not infer that my presence here on the first and the second is indispensable to the operation of this assembly. However, I do like to be near, to consider certain matters that hon. members bring up.

I would propose to the House, therefore, that on Monday we should consider resolution No. 1, standing in the name of the hon. member for York-Scarborough (Mr. Sutton) which was discussed and brought up by some of the hon. members of the Opposition on Monday. After the House meets at 3 o'clock, I think it would be advisable if hon. members determined to have a night sitting on that occasion, so the House would have the opportunity of fully discussing the matter of employment and unemployment, which I think can clearly be discussed within the terms of that resolution. I am not anxious to restrict any debate on the matter, which I consider to be of the highest importance, and is something in which I myself, along with other hon. members of the House, have a very intense interest indeed. I think it is desirable that the House should not restrict the matter. Therefore, I propose that we have a night session on that occasion.

This would enable us to go ahead with the Throne debate in the ordinary course the

following day, which is customary and traditional in this House.

In connection with the order which is on the paper, the consideration of the report of the select committee in matters pertaining to the transaction of business of the Legislature, I propose, sir, that the House can deal with this on consent, without an amendment of the rules. I think there are many things in this report that we might try out here in the House, without formally amending the rules at this time.

I think the amendment might take place later in the session when we have had the opportunity of seeing how these things work out. I am going to look at the report over the week-end and see if there are certain matters there that we might put into effect. I will put into effect the 10.30 sittings on Monday night. We will do that by agreement to see how the matter works out. As a matter of fact, I have some feelings myself on the matter. I have always been very doubtful as to the restriction of the time that hon. members could speak in this House.

Applause.

Hon. Mr. Frost: Frankly, I have doubted that myself. I say that in all respect to the committee. I quite realize the reasons, but I myself dislike putting an hon. member up against a deadline. After all, some speak faster than others, some are more adept in the House—

Mr. Nixon: Some read every word.

Hon. Mr. Frost: Well, I may say that I have no objections myself to the reading of speeches. I have—

Mr. Nixon: Make them a lot shorter then.

Hon. Mr. Frost: Well, not only that, but after all, hon. members elected to this House are not professional conversationalists or speech makers. Very many of them are not, and if they go to a lot of trouble to get a speech ready to present to the House and it has their views, I do not know why we should make it hard for them. However, I think that we can use discretion in the use of the time of the House. I think that is common sense.

I would say to my hon. friend from Brant that I would never like to have him limited to 40 minutes or any other time. I not only want to see him, I want to hear him! I do not see why he should be limited.

However, if we are going to get into certain procedures it may be necessary to do that, but I would prefer to have things a bit more free-wheeling.

As a matter of fact, in a day we can discuss a very great many things, if there is discretion in the use of time and again I mention what a great old friend of some hon. members here, who has passed along, Fraser Hunter, a member of this House, liked to assert, that hon. members should never speak for more than 20 minutes. He said that in the ordinary course that is a sufficient compass.

Now, he was a great expert on that, and my hon. friend from Grey South (Mr. Oliver) knows that Fraser Hunter obtained a great deal of space in the papers because of his very refreshing remarks which he put in a very small compass.

However, again with just that observation, we can proceed. I will look over this report and see what the House can do—what the House might implement by agreement—and see how it works out. If it does not work out, then hon. members can take other expedients. That is the position for next week.

I would propose that the House discuss the matter of unemployment on Monday and that if it is necessary and desirable we can have a night session. We can make the necessary arrangements in any event.

The Throne Speech debate will commence on Tuesday, and then hon. members can continue with either the Throne Speech debate or the unemployment matter again on Wednesday.

Mr. Thomas: Mr. Speaker, the hon. Prime Minister mentioned that December 1 and 2 were very important days. I think that December 5 is also an important day in the administration of the affairs of the local municipalities, that is election day in most of the local municipalities.

I am quite sure that most hon. members would wish to exercise their democratic right and record their vote in favour of the person of their choice.

I wondered if the hon. Prime Minister had given some consideration to the thought that we might adjourn the sitting on that day as quite a number of hon. members, I presume, would be absent on that occasion.

Hon. Mr. Frost: My hon. friend did suggest that to me, but I hesitate to leave out a day in the sittings of this House. My hon. friend can vote in the morning, as I can, and most hon. members can. I think that for those who are away for that reason, and I

think it is a very justifiable one, we could, perhaps, try to make arrangements in the business of the House to accommodate them, and hon. members know this. Still, all of the voting days are not on December 5—

An hon. member: That is right, that is right.

Mr. G. W. Parry (Kent West): Mr. Speaker, I would like to say that December 5 is an important day. I shall have been married 51 years on that day.

Applause.

Mr. Speaker: Orders of the day.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to address a question to the hon. Minister of Labour, notice of which I have already given to you. I will read the question as I have submitted it to you.

What steps if any does the government plan to take to insure that, in cases where provision is made in collective agreements or otherwise for Christmas day and New Year's day to be observed as statutory holidays with pay, the employees concerned will not be deprived of such benefits by reason of the fact that these holidays occur on Sundays this year?

Hon. C. Daley (Minister of Labour): Mr. Speaker, I do not know whether I can answer the question put by the hon. member. It is my understanding that it would be necessary for the federal government to declare whether or not the holiday, falling on a certain day, should be held on another day. I do not think that comes under the jurisdiction of my department, and I do know that, in many agreements as negotiated between management and labour, there are various types of agreements.

Some agreements only call for maybe 4 statutory holidays a year, others 6, others 8, the full limit. I think that it should be so stated in these agreements whether or not a holiday falling on a Sunday should be held on a Monday and paid for.

However, I presume it is a question of paying for the holiday that is of concern to the hon. member. I do not think I can help on this question.

Mr. Bryden: Can I ask a supplementary question, Mr. Speaker? I would like to ask if the government would give consideration to issuing a proclamation declaring Monday,

December 26 and Monday, January 2, to be statutory holidays?

Hon. Mr. Frost: Might I point out to my hon. friend that I do not think there is any power vested in the government to issue a proclamation of that sort. I think it is really desirable to avoid the issuance of provincial proclamations. That is a matter that more properly rests with the municipalities.

Now, there is a variety of things that come up, the minute we get into the matter of issuing proclamations. For instance, there is the day devoted to cancer and all sorts of causes that are, in themselves, highly desirable. But if proclamations were issued here, then the House would be issuing proclamations all the time. I think the best course is to leave that to the municipalities themselves as we have done and that I think has worked out very satisfactorily.

In connection with Christmas day and New Year's day, as far as the civil service is concerned, we always make arrangements that on the day before Christmas, for instance, there is the opportunity given to civil servants to get home. I think that is very desirable because of the traffic conditions and a host of other things.

When Christmas day comes in the centre of the week, say Tuesday or Wednesday or Thursday, the week is pretty well broken up, whereas when Christmas day falls on Saturday or Sunday, and particularly on Sunday, it is not.

I think that we have to take those things into balance. This year Christmas falls on Sunday, and Monday is being observed as Boxing day. It will be a holiday. I think it is also true, is it not, that we are doing that on New Year's day?

This means that this year, the civil service actually gets Mondays on both weeks. In other years, of course, it runs higher than that. Sometimes if you get Christmas on Tuesday, for instance, then it seems to be pretty hard lines to bring all our people back here on Monday. These are things that you cannot effect. You cannot deal with the situation unless you have these holidays on fixed days.

Mr. D. C. MacDonald (York South): Mr. Speaker, there are 3 related questions that I would like to ask the hon. Minister of Municipal Affairs, notice of which has been given to him.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I have received no notice of such questions.

Mr. MacDonald: The first question is—

Interruptions by hon. members.

Mr. MacDonald: I am wondering. We need some electronic system to get channels within the Liberal party so that they can find what their hon. members have decided in select committees.

Hon. Mr. Warrender: I am not trying to stand on a technicality. I was in treasury board all morning. I received no notice, but I am still willing to try to answer the questions.

Mr. MacDonald: Is it true that the report of the Eastview inquiry was rewritten within the department before release? Secondly, if it was not rewritten, why was its release delayed for more than 3 months following the inquiry's conclusion? Thirdly, what action, if any, does the department intend to take in clarifying the eligibility for the forthcoming municipal elections of candidates who were alleged, in the inquiry for the report, to have committed indictable offences?

Hon. Mr. Warrender: Well, Mr. Speaker, in the first place I do not agree that the report was rewritten, as the hon. member phrases it. I consider this a good factual, comprehensive report.

Furthermore, I should like to bring to the attention of the hon. member—and I know he has already received a copy of the report—that all through the report, on nearly every page, there are references to the transcript of evidence.

Now, the report was not drawn just for the information of the hon. member for York South. It was drawn for the information of the council and for the citizens' committee who originally, by petition, asked for the inquiry under section 15 of The Municipal Affairs Act.

Therefore, I feel that the report is a full and comprehensive one.

So far as the next part is concerned, I think it had to do with the reference to 3 months' delay. There is no delay in that sense, but I admit it did not come out as early as was expected.

I should like to point out, Mr. Speaker, that since last April we have been in the process of reorganizing the department; we have needed Mr. Yates and Mr. Blake for other matters. While it is true that in East-

view this may be of great concern to them, there are other matters of great concern to other municipalities. So I have to spread the energies and the time of these men around where they can be best used.

However, when the citizens' committee came to us and said they would like it out at least a week before nomination day, a drive was put on and we got it out I think 8 days before nomination day.

So far as the other matter is concerned, the reference to those persons who might or might not be qualified where there had been allegations of indictable offences, may I say this. It was made clear in the report that, if a further investigation is required, it is left for those people to start an investigation.

The transcript of evidence is there—every word uttered at the hearing. The counsel of those people is a learned gentleman, the counsel for the citizens' committee. He has the report.

I understand the transcript of evidence has been made available to him and to his people. If they wish to take action, that is their right and they may do so.

Mr. MacDonald: May I ask a supplementary question?

In the instance of the York township report, the report was submitted by the hon. Minister's department to The Attorney-General's department, and the Attorney-General took the action with regard to alleged offences. Has the department—

Hon. Mr. Warrender: There was a reference in the report.

Mr. MacDonald: Well, whether or not the report recommended that it should be referred to the hon. Attorney-General is surely a little irrelevant. I do not want to get into a debate. All I am asking the hon. Minister is this: Is it the intention of the department to pass this on to The Attorney-General's Department for action, as was done in the instance of York township, or is the hon. Minister going to leave the responsibility completely and wholly to the citizens of Eastview?

Hon. Mr. Warrender: Mr. Speaker, the answer is contained right in the report where it says that if certain other matters should be investigated, they may do it in various ways, not just through the hon. Attorney-General or the Crown attorney locally.

There are many ways an investigation can be held.

Probably under section 258, provision is made whereby the council itself can ask the county court judge to have an investigation on their own and the means are set out so to do.

But I would like to point out to the hon. member for York South that the report by Judge Sweet was under section 332 of The Municipal Act, and in that report he set out certain specific things which should be referred to the hon. Attorney-General, and that was done.

That has not been the case in this particular report, but it leaves it broadly for further investigation in respect of certain matters. It might be done under one section of the Act or under another section of the Act or even under the criminal code. I do not care what the hon. member thinks. I know he sat around at the hearings like a vulture waiting to pick the corpse.

Mr. MacDonald: Mr. Speaker, I did not see you jump to your feet to call the hon. Minister to order when he made this kind of a statement. If the hon. Minister of Municipal Affairs is going to be permitted to make highly political statements like this when we cannot put a few extra words in our questions, I want to know if there are two sets of rules in this House.

Hon. Mr. Warrender: Well, there is one fundamental rule, Mr. Speaker, and that is I am supposed to receive notice at an available instance—

Mr. MacDonald: If the hon. Minister did not receive notice, he did not receive it because the Speaker's office did not send it to him. Now I cannot be responsible for inefficiencies within the government.

I just want to explain to the hon. Minister that I happened to be holidaying in the Ottawa valley, and I sat in on 3 part days of that hearing. The only thing wrong was that every hon. member of this House should have been sitting in, and they would be supporting me in trying to get this government to act in clearing up this kind of situation, instead of shirking their responsibilities.

Mr. Speaker: One must remember that we cannot ascribe motives to the colleagues of this House. They have no idea what the motives are and in this case, of course, I think the motive was lost.

Mr. V. M. Singer (York Centre): Mr.

Speaker, I do not know if it is in order to put a supplementary question to the hon. Minister, but I could not follow, from his answers to the hon. member for York South, whether or not the hon. Minister of Municipal Affairs intends to do anything further about East-view.

Hon. Mr. Warrender: Mr. Speaker, I intend

to do a great deal. Time will show just what will be done.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.30 of the clock a.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, November 28, 1960
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 28, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

THE PORTABLE PENSIONS ACT, 1960-1961

Mr. K. Bryden moves first reading of bill intituled, "The Portable Pensions Act, 1960-1961."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I said on Friday that I would give consideration to some of the matters contained in the report on the order of business in the House, which is now on the order paper.

I discussed the proceedings of the House with the Clerk of the House, and I think the best procedure would be to set aside all day Wednesday for committee organization.

This has to be done, since, if we postpone it then it only delays us in another direction. I had hoped to give precedence for, say, an hour to one of the private members' motions, but with Wednesday out, it would be impossible on Wednesday. I would, however, make the proposal that perhaps we might be able to call a motion, standing in the hon. member for Oshawa's (Mr. Thomas's) name, on a Friday morning.

I think the hour-and-a-half is a bit generous. Perhaps we could set aside an hour if that time is required, and if it is not required, I would say, sir that we could then proceed with other business. This would give the hon. members of the House a reasonable time, I think, to discuss the principles of that motion. May I say, sir, that I have never been enamoured of Ottawa's methods, in

which a bill is talked out. I think it is a time-wasting procedure.

It seems to me that if there has been a discussion by all who want to discuss the item, and if it is not acceptable to the government, or further consideration is required, the matter can be adjourned. I think that is a far better procedure.

After all, sir, there is no doubt that we can learn many things from Ottawa, but I think there are a lot of things they can learn from us.

I am not concerned with some of their procedures. I do not take them as a last word. As a matter of fact it seems to be that the procedures in the House of Commons are such that I would hesitate to follow them slavishly because it might lead to unconscionable time being taken in this assembly, and I do not think we want to do that. However, sir, I would just mention that—

Mr. D. C. MacDonald (York South): May I ask the hon. Prime Minister a question? He has not dealt specifically with another procedure in this House, and I am wondering whether he has given any thought to it. I refer to the procedure of adjourning the debate which is tantamount to talking it out, so that there is never an opportunity to vote on the resolution. Do I conclude correctly that the hon. Prime Minister has, upon mature consideration of this issue, concluded that henceforth we will not adjourn a debate as a means of ending it, without reaching a conclusion?

Interjections by hon. members.

Hon. Mr. Frost: It would, of course, go down to the bottom of the list. But I say to my hon. friend that I think he will recognize that very often a bill is introduced on a certain principle. There is a bill for instance in relation to portable pensions here. I think myself that it should be considered, and I think my hon. friend would agree we are striving for an answer to that question. There is going to be a lot of deliberation given to it this session I believe.

I think it is quite unfair that the matter should come up for a vote which makes it appear that a large proportion of the House

are opposed to portable pensions, when such is not the case.

Mr. K. Bryden (Woodbine): Why not vote on it?

Hon. Mr. Frost: My hon. friend will understand that many a bill or many a resolution can be introduced that sort of implies that old question: "When did you last beat your wife," sort of thing.

We want to give the opportunity for hon. members to raise questions and discuss them in a decent and reasonable way. We are not looking in this matter for trick methods of doing anything; the point is to raise the question and to have a discussion.

I would say, sir, that answers the question.

Now, sir, concerning this afternoon, the order to be called is a private member's motion which ordinarily would be completed in say an hour and a half. I agreed the other day that we would use this motion as the vehicle and the method by which we could have a comprehensive discussion on this matter, so I am following what I said the other day. I suppose the matter should be discussed without any limitation of time. I think that idea is agreeable to the House.

I would point out to the House that I would like to give quite a comprehensive description of what is being done by, for instance, the built-in protections there are now against unemployment, which the hon. Minister of Public Welfare (Mr. Cecile) might describe. I count education as a very important matter to which the hon. Minister of Education (Mr. Roberts) has given consideration. The winter works programme might be handled by the hon. Minister of Public Works (Mr. Connell).

There is also the matter of farm marketing. Now, I am not talking within our province but I am talking about farm marketing outside of our province, which can be discussed by the hon. Minister of Agriculture (Mr. Goodfellow) and also the hon. member for Huron (Mr. MacNaughton). Then highways, industrial marketing, public works; all can be discussed by the hon. Ministers concerned.

That, I think, is about the order that we would keep.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, may I ask the hon. Prime Minister whether it is his intention to call this order at this immediate time, and then follow with the respective hon. Ministers?

Hon. Mr. Frost: No, no! I thought this. The matters could be discussed in this way: The mover of the motion, followed, I should say, by someone from your side. Following that I have a few imperfect remarks which I would want to make myself and then let the thing follow along.

I think this is a very important matter which we can place before the House using this motion as—

An hon. member: Mr. Speaker, may I ask a question of the hon. Prime Minister in regards to the procedure he has mentioned? He indicated that on Wednesday, the House would not be sitting and would be dealing with committees. What happens to the debate on unemployment if it is not finished tonight? When do we pick up?

Hon. Mr. Frost: Well, we shall see what the situation is by nightfall. I would like to proceed with the Throne debate tomorrow. We shall see what the situation is tonight.

Mr. V. M. Singer (York Centre): You do not talk anything out—

Hon. Mr. Frost: Oh, well, there is lots of time.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, before calling the orders of the day I would like to address a question to the hon. Attorney-General (Mr. Roberts), a copy of which I have submitted to him through your office.

Some months ago the broker-dealer firm of Pielsticker Ltd. went out of business. Did the firm cease operating because of bankruptcy, or because its licence was cancelled or suspended by the Ontario securities commission, and are the operations of this firm still under investigation by the securities commission?

Hon. Mr. Frost: Mr. Speaker, the licence was suspended and still is suspended, and the answer to the second question is yes.

Mr. Bryden: Before the orders of the day, Mr. Speaker, I would like to direct a question to the hon. Prime Minister as follows: With respect to question No. 7 of 1960, asking for certain information about advertising in some newspapers which first appeared on the order paper on January 29, 1960, and was made an order for a return on April 12, 1960, when may it be expected that this return will be tabled?

Hon. Mr. Frost: Well, I would say, Mr. Speaker, to the best of my recollection that

it was tabled. But, if it was not, then I will see that it is tabled.

Mr. Speaker: Orders of the day.

RESOLUTION RE UNEMPLOYMENT

Clerk of the House: Notice of motion No. 1 by Mr. R. E. Sutton.

RESOLUTION: That in view of the mounting competition and its effect on industry, particularly secondary industry, with its incidence of unemployment,

BE IT RESOLVED THAT while trade and commerce are within the confidence of the federal Parliament, every effort be made in every sector of the provincial economy to co-operate with federal departments and business generally to market our goods at home and abroad,

AND THAT this House urges that the initiative be taken by business, industry and labour and as well all levels of provincial government within the area that they can constitutionally operate to further and increase employment and job opportunities in Ontario.

Some hon. members: Hear, hear!

Mr. R. E. Sutton (York-Scarborough): Mr. Speaker, I move, seconded by Mr. A. F. Lawrence, resolution No. 1 standing in my name which has just been read.

Mr. Speaker, in rising to discuss this resolution, I am sure we are all agreed that unemployment is an urgent problem of great public importance. This matter, while it falls very largely within the competence of the federal Parliament, clearly requires the co-operation of all levels of government, of business leaders and, in my opinion, of every citizen of the country.

While leadership must, of necessity, rest with the federal government in meeting the problems of the day, where these affect the nation as a whole, it is essential in our democratic system that all of our citizens have a clear understanding of the problems involved if we are to meet successfully the challenges with which we are confronted.

Therefore, I feel that the resolution as read is most timely, and should receive the unanimous support of the House.

Practically every day in the press, we read the solutions to our problems offered by prominent industrial and banking leaders. At this time of year, when annual meetings of the chartered banks are being held, we can

expect some very interesting comments on the subject of unemployment. James Coyne, governor of the Bank of Canada, claims that:

The greatest single cause of Canada's economic troubles is the heavy inflow of foreign capital. Large-scale unemployment and troubles of domestic manufacturers are direct results of foreign borrowing.

A net inflow of capital induces Canada to import more than she exports. Whenever foreign exchange is brought to Canada, either for direct investment or in the form of a loan, a Canadian must be found who will buy the foreign exchange, a Canadian who can be persuaded to spend more abroad.

Since 1949 Canada's net foreign debt has quadrupled from \$4 billion to \$17 billion by the end of 1960. This year alone it has increased \$1.5 billion. By the end of 1957, foreign interests had control of 56 per cent of all manufacturing in Canada, 61 per cent in the mining and smelting industry and 76 per cent of the petroleum and natural gas industry.

International balance of deficit payments have been running from \$1 billion to \$1.5 billion in each of the past 5 years. Cost of servicing this foreign debt amounted to \$500 million in interest and dividends in 1959, with an additional \$480 million in unremitted earnings held in Canada by foreign accounts for growth and expansion.

To meet these two items alone, Canada should have a merchandise trade surplus of \$1 billion. Instead, she had in 1959 a trade deficit of \$380 million as well as an additional deficit in travel account of \$220 million.

Mr. Coyne's solution is one of austerity. He says:

Canadians will have to start to live within their means. Increased productivity and employment by more energetic development of Canadian industry. We must carry on the future economic development of Canada on the basis of Canadian savings, Canadian capital—not foreign capital.

So much for Mr. Coyne and the central bank.

Let us turn for a moment to Mr. J. S. Proctor, president of the Imperial Bank of Canada and his speech on the occasion of the annual meeting last Friday, November 25. Among other things, he said:

A large part of the rise in our foreign debt has come about by the sale abroad of securities by provincial and municipal governments and corporations, who found they could borrow at a cheaper rate in

New York. By this borrowing the Canadian dollar is kept at a high price in the foreign exchange markets, exports are handicapped and Canadian producers of goods that compete with imports are put at a disadvantage.

An easier money policy in Canada would narrow the differential between interest rates in Canada and the United States, weaken the incentive to borrow abroad, and reduce somewhat the premium on the Canadian dollar.

Mr. Proctor advocates lower interest rates. I wonder if this is lip service only. Our chartered banks will show in 1960 larger earnings than any time in the past. The classification of their loans show very few loans to small businesses, but a very substantial increase in personal loans on which there is a 6 per cent interest charge and a 6 per cent service charge.

I ask, why would a bank manager wishing to make a showing for his own branch make a loan of \$25,000 to small businesses at 6 per cent, if he could loan this same amount of money to 25 or 50 people by way of personal loans at 12 per cent?

Just one more prominent speaker, please. Mr. Walter Gordon, who was chairman of the 1956 Royal commission on Canada's economic prospects, said in a recent speech that in his opinion:

Unemployment problems in Canada will be solved by (1) cuts in the personal income tax; (2) lower interest rates; (3) a reduction in the premium on the Canadian dollar.

He pointed out that:

Today's problem is not inflation but rather a declining rate of per capita output and serious unemployment.

How does Mr. Walter Gordon think that interest rates can be lowered and the premium on the Canadian dollar reduced? In other words, what are the mechanics to accomplish this?

Mr. V. M. Singer (York Centre): Mr. Speaker, would the hon. member permit a question?

Mr. Sutton: May I finish please? The hon. member will have all the chance to speak that he wants.

Interjections by hon. members.

Mr. Speaker: Please, please!

Mr. Singer: He does not know the answer. He did not hear the hon. Prime Minister (Mr. Frost) on Thursday.

Mr. Sutton: Well, let me try to explain. I think that what Mr. Gordon had in mind was for the Bank of Canada in their open market operations to lower interest rates. The Bank of Canada would buy securities in the open market and in that operation, when securities are delivered to the Bank of Canada, they are paid for in cash and the cash goes into the money supply of our chartered banks.

Now if we increase the amount of cash in our chartered banks, then each Thursday when we have these auctions of treasury bills there would be keener competition among the banks to buy these 91-day discount bills, so that the interest rates would go down, probably down to two per cent.

Ninety-one day treasury bills are 3.77 per cent today.

Now, if there were some keen competition and treasury bills did go down to say 2 per cent, our re-discount rate is then set each week .25 per cent above the average rate for the discount bills, so we would have a re-discount rate of 2.25 per cent.

In Canada our chartered banks make very little use of the re-discount rate. In the United States they do. But if you had a re-discount rate of 2.25 per cent and a prime rate of 5 per cent, in theory, the chartered banks making a loan at the prime interest rate of 5 per cent to someone who had 100 per cent collateral, the re-discount rate makes it possible for the chartered banks to re-discount that loan with the Bank of Canada. They would get the money and make a loan to someone else.

In other words, the chartered banks would make a profit of the difference between the 5 per cent prime rate and the 2.25 per cent re-discount rates.

Now, if you have a lowering of the re-discount rate then, naturally, you have a lowering of our mortgage rate. The mortgage rate at present is at 6.75 per cent, 7.25 per cent. But it would follow that if you had a prime rate of 5 per cent, you would have a mortgage rate of 6 per cent at least, maybe 5.5 per cent.

Interjection by an hon. member.

Mr. Sutton: Well, if you were able to establish these easy money rates, I would imagine that Mr. Gordon would think that a lot of the borrowing that is now done in the United States could be done right here in

Canada, lowering the premium on the Canadian dollar to some extent.

Also with easy money and very low returns on treasury bills, day-to-day loans and short-term government bonds, a lot of money now in Canada on a very short-term investment basis would move out of the country. Canadian funds would be sold and United States dollars bought, forcing our Canadian dollar closer to par.

What has Mr. Gordon in mind when he is advocating a lower premium on the Canadian dollar?

Mr. Singer: What did the hon. Prime Minister have in mind on Thursday?

Hon. L. M. Frost (Prime Minister): Mr. Speaker, this is a highly important subject upon which the future of our country depends. I think if our hon. friends opposite would talk a little bit less nonsense and listen a little more, it might be helpful. As a matter of fact, the hon. member for York-Scarborough is well known in financial circles, and for a number of years was stationed in New York for some of the banks and other loaning institutions. It may be well to listen and we might be able to find out something.

I am perfectly prepared to discuss my viewpoint in connection with Mr. Gordon, with whom I find myself in general agreement. I will discuss that in detail.

Now, I think if we will just listen to this, we may get a different point of view. I do not necessarily agree with my hon. friend from York-Scarborough, but on the other hand he is a man who has had a great deal of experience in this sort of thing.

Mr. Sutton: When Mr. Gordon speaks of reducing the premium on American dollars, what has he in mind and how would he go about reducing the premium on the Canadian dollar?

The premium is there because there are more buyers of Canadian dollars than sellers. Everybody all over the world in times of uncertainty have funds which they want to invest here, there and every place else, and they have chosen Canada as a very safe place to put their money because we have very sound and stable governments in Ottawa and Queen's Park.

Some hon. members: Hear, hear!

Mr. R. M. Whicher (Bruce): Mr. Speaker, do you think the hon. member knows what he is talking about?

Mr. Sutton: Some hon. members will remember when the Aberhart Social Credit government in Alberta repudiated their debt. So much money went out of this country that our dollar went down to 80 cents, and we will remember that when the Grits repudiated their contracts with the Ontario Hydro, our dollar again went down to 80 cents—

Mr. A. J. Reaume (Essex North): Oh, give us your experience.

Mr. Sutton: And when the fine hon. gentlemen over there, if they ever formed a government, took over our banks and our insurance companies and our trust companies and nationalized all of our industry, every single dollar in Canada that could get out, would get out, and we would have a 50 cent dollar.

Mr. D. C. MacDonald (York South): Just take a look at the financial status of the province of Saskatchewan.

Mr. Speaker: The hon. members on this side of the House will have equal opportunity to debate in the matter of the resolution.

Mr. Singer: Well, why did you let the hon. Prime Minister go ahead?

Hon. A. Grossman (Minister without Portfolio): If the hon. member does not want to hear it, he should move adjournment of the debate.

Mr. Sutton: When Mr. Gordon said he was trying to put the dollar at par, he must have had something in mind by way of a stabilization fund. The government would have to be prepared to buy every foreign exchange. They would have to offer Canadian dollars at par for United States dollars. They would have to offer Canadian dollars at par for sterling at \$2.80.

Now, with this terrific amount of money coming into Canada and still wanting to come into Canada, it is conceivable that such a fund would run to \$1 billion. How on earth would our hon. Finance Minister (Mr. Fleming) borrow \$1 billion on today's market? In the last two weeks, long-term "governments" have gone down 4 and 5 points.

Mr. Whicher: Ask the hon. Prime Minister, he is all for it.

Mr. Sutton: And what is more—

Mr. Singer: Take it out of the unemployment insurance funds.

Mr. Sutton:—what is more, if this \$1 billion were used, and he had a long position of \$1 billion of United States funds, would any of the hon. gentlemen here be happy with such a position today?

Mr. W. B. Lewis (York-Humber): No answer.

Mr. Sutton: Roosevelt, when he became president, revalued gold from \$22.67 to \$35 an ounce.

Mr. Reaume: He was a great man.

Mr. Sutton: They have stood in there as buyers all these years. The United States government accumulated gold at \$35 an ounce; they accumulated \$24 billion worth. It seemed silly to us to dig the gold up out of a hole here and put it in a hole in Fort Knox. Everybody thought that gold had no further use except in the fine arts, and to fill your teeth, and what has happened in the last few years?

Six billion dollars of gold has gone out of the United States gold supply and has found its way to the United Kingdom, France, Belgium and Western Germany. Western Germany today has a gold reserve of \$4 billion. Would it be foolish to ask the question now, is this the time for the major countries of the world to consider returning to the gold standard with currencies convertible into gold at fixed rates?

Interjection by an hon. member.

Mr. Sutton: It is a stupid question, probably, but, if our funds—

Mr. MacDonald: Is the hon. member asking the questions or giving answers?

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I think this is a very pertinent problem, now what is the hon. member's opinion?

Mr. Sutton: I am just asking questions. Mr. Speaker, my purpose is to focus attention on—

Mr. MacDonald: To evade action, that is his purpose.

Mr. Sutton: Mr. Speaker, my purpose is to focus attention on some of the urgent problems of the day, and this debate will go on long enough for all hon. members to express their opinions.

Interjections by hon. members.

Mr. Sutton: In any case, what seems to be the difficulty in lowering the interest rates on

the premium on the Canadian dollar? Surely in the Bank of Canada, the operation of which I tried to explain in *Hansard*, page 433, 1958—read it, and learn the 5 different methods of making money and credit easier—we have all the machinery to carry out the purpose of the central bank to level off the peaks and the valleys of the business cycle through control of money and credit. In reading the statements of the Bank of Canada, there has been a large increase in the supply of money to our chartered banks since April of this year. But interest rates are still at a high level, and there has been no appreciable change in the premium on funds. I therefore ask the question: Is there any conflict in general overall policy between the governor of the Bank of Canada and the government at Ottawa?

Mr. Singer: Why not ask them up there?

Mr. A. Wren (Kenora): I think he ought to answer that.

Mr. Speaker: I do not think the hon. members on any one side of the House have any priority with regard to asking questions. I also think that when an hon. member asks questions, he should not be asked to answer them.

Now, if that is to be the new procedure, it may go too far.

An hon. member: That is a good one.

Mr. Singer: Especially if he does not know the answer.

Mr. Sutton: May I say a word—

An hon. member: Go ahead.

Mr. Sutton: —about unemployment problems in my own riding, York-Scarborough?

The other day I went around to the municipal buildings to get the monthly direct relief figures from our welfare administrator. I will not quote all of these figures. There is a large increase each month of 1960 over 1958 and 1959 in both numbers on relief and the amounts of money spent.

In the month of November, 1958, we had 667 persons on direct relief at a cost of \$21,733. For November, 1959, we had 705 people on direct relief for a cost of \$23,679, and the figure now for November, 1960, is 1,026 people, 321 up from last year for a cost of approximately \$32,000.

I do not suppose Scarborough is any worse than any other municipalities adjacent to large cities.

The unemployed employables in this figure of 1,026 amount to roughly 10 per cent, and these persons are all of a classification of non-skilled labourers, and average in ages from 18 to 34.

Scarborough is taking great advantage of the winter works programme, but I am told that none of these unemployed employables, because of the suitability clause, will be hired on these winter works projects.

I am very concerned about the young man aged 18 to 21 who left school at age of 16 to drive a truck or take some other task similar to this who now finds himself unable to get a job.

I would suggest that a new branch of The Department of Lands and Forests be set up to employ all of these boys within the ages stated for a period of 3 years. Have them work as forest rangers in the summer months, and place them in the The Department of Lands and Forests school in Haliburton for the winter months, to learn a trade in a new school and let us call it the craftsmen's college.

There should be a rigid physical fitness programme.

After 3 years, they will come out expert tool and die makers, steamfitters, plumbers, electricians, and they will be redeemed physically, mentally and morally—a great asset to the province—and take their rightful position in the building of Canada.

During the last year we have once again become increasingly aware of the fact that we live in an ever-changing world. I have been deeply conscious of the changes that are occurring not only within our own province and nation, but in the many countries with whom we trade.

The last 15 years have been for us a period of spectacular progress and development. In that time our population has increased by more than 2 million or by 50 per cent. Ontario's gross provincial product has risen from less than \$5 billion to nearly \$15 billion. The total personal incomes of Ontario people have risen from less than \$4 billion to nearly \$11 billion. Employment has increased from 1.6 million to 2.3 million.

These basic economic yardsticks attest to the remarkable expansion that we have experienced throughout this period.

None of this suggests that we have always had smooth sailing. Every year has brought its problems. Sometimes these problems consisted of tight money, overemployment and inflation.

At other times they were concerned, as

we are now, with a levelling off of activity and unemployment.

For instance, there was a brief recession in 1949-1950 which vanished with the outbreak of the war in Korea. Another short recession occurred in 1954, attributable in part to the heavy accumulation of inventory.

The resumption of the upward trend in 1955 was terminated by the recession in the winter of 1957-1958, following an unprecedented period of capital investment. This pause also proved short-lived and production, employment and income began again to rise in 1958, stimulated in part by increased private investment and housing and public works expenditure.

It is therefore apparent that, even in the past decade and a half of unprecedented prosperity, there have been periods of dislocation and pause in the expansion of the economy. Today we are again concerned with the increasing number of workers who are unemployed.

At the present time the competition from producers in the United States, Europe, Japan and other countries, particularly in the field of manufactured goods, is very acute. The European and Asiatic countries have modern, efficient factories, very low wages, and often favourable exchange rates. Exports from many of these countries have made major inroads into markets which we have formerly occupied.

Some adjustments in import duties and valuations and exchange rates will undoubtedly be required, but this action will provide no substitute for our own efforts to make ourselves competitive with producers in other countries.

We are not an island unto ourselves. On the contrary, we are very sensitive to changes that occur in the United States, Europe and Asia. Our exports make up \$1 of every \$6 of our gross national product. Capital investment, exchange rates and other related matters affect the tempo of economic activity in Ontario and Canada generally.

In spite of these difficulties, 1960, by and large, has been a pretty good year. Our population is continuing to grow rapidly, about 140,000 increase this year. Although this represents a slower rate of growth compared with that of 1956 and 1957, it still represents an increase of 2.3 per cent as compared with 2.1 per cent increase for Canada as a whole and 1.6 per cent for the United States during the past year.

For the first 10 months of 1960, employment exceeded that of 1959 by an average of 50,000 workers. Total labour income in

Ontario has been maintained at an all-time high in 1960. For the first 8 months of the year it was 3 per cent higher than in the same period in 1959. For the first 9 months of this year, total industrial production was 2.5 per cent above that for the first 9 months of 1959—the highest in history. For the first 10 months of 1960, steel ingot production of Canada was 3.3 per cent higher than in the same period in 1959, a record production year.

Total mineral production will reach an all-time high this year of nearly \$1 billion. Substantial gains in output of nickel, copper and iron ore are more than offsetting the declines in uranium production and the possible slight decrease in production of structural materials.

Canadian and Ontario shipments of iron ore during the first 9 months of 1960 are higher than in corresponding months of 1959.

Construction contracts in Ontario during the first 10 months of 1960 were nearly 7 per cent higher in value than those awarded in the corresponding months of 1959. The very steep increase in engineering contracts and minor rises in business and industrial contracts more than offset the considerable fall in the residential sector. The increase in the engineering contracts was largely due to Ontario Hydro contracts, work on which will carry over for several years.

Retail trade, which has been running about the same as last year through most of 1960, has shown more strength in the past month or two.

Domestic exports in the first 9 months of 1960 were 8.1 per cent over the corresponding total of 1959.

There is much about the present situation, therefore, which is promising. In spite of the inroads which foreign goods have made into our traditional markets, we have still managed to increase our production and expand our exports. Some of our manufactured products have not been able to compete with cheaper imports. Others, however, have prospered and some new products have been successful in taking over entirely new markets.

We must remember that the potential markets for Canadian products are expanding rapidly. Population has increased rapidly at home and abroad. In the North American market alone, nearly 3 million consumers are being added annually. In the rest of the world, population is increasing at the rate of about 50 million a year. With rising living and income standards throughout the world, this population increase can be trans-

lated directly into a larger rise in effective demand.

We in Canada have the enormous resources, the efficient modern machinery and equipment, and the technical skills to take advantage of these expanding markets. They provide a firm foundation from which we can advance. The opportunities are there for further expansion and development. To take advantage of them will require imagination, enterprise, hard work and sacrifice.

The problems now besetting our economy are somewhat different from those of earlier postwar downturns in our economic activity. New techniques must therefore be used in meeting these problems. Every stimulus must be given to industry—both primary and secondary—to expand.

Secondary industries offer great opportunities for an increase in productive employment in Ontario. Manufacturing is by far the most important single economic sector in Ontario. It accounts for two-thirds of our total output of goods and services and provides 30 per cent of the employment and 36 per cent of all wages and salaries paid in the province.

In addition, it supports employment in a multitude of auxiliary trades and services.

I realize that the major responsibility for an effective increase in our manufacturing activity must rest with industry itself. I sometimes feel that certain segments of our industry have not been adapting themselves to changing economic conditions. In a competitive world it is not sufficient for industry to rely on the sale of traditional products to established markets—and to demand higher tariffs when these markets are diminished through import competition. A continuous effort must always be made to reduce costs, to explore new markets, to experiment with new products for consumers whose tastes are changing and whose needs vary.

Labour also has a heavy responsibility in any efforts to increase employment opportunities. Union policies must not be so rigid that flexibility in plant operation is prevented. The jobs of their present and future members are at stake. Their co-operation is, therefore, required if our industries are to improve their competitive positions.

The co-operation of governments at all levels is essential to a solution of our difficulties. The federal government, of course, with its powers in the fields of trade and commerce, banking and credit, is in a position to make the most effective contribution to our economic expansion. I hope that it will use its powers to do more to encourage

our secondary industry and to provide incentives for its further expansion and development.

I have been very pleased to note that our government is now undertaking a programme with expansion and development in mind. The expansion of the public works programme will aid in meeting our immediate unemployment problem. By increasing the activities in The Department of Economics, and by reorganizing and strengthening The Department of Planning and Development, it will be in a better position to further the efforts of our secondary industry to expand its employment, output and sales.

Through increased contact with federal government departments, it will be better able to co-ordinate government action and to be of greater assistance to business and industry.

There is no shortcut and no easy solution to our problems. Vigorous and persistent efforts must be made by industry, labour and government, to provide the sound economic foundation on which to base our future growth in employment and production.

My purpose is to focus attention on the tremendous task before us. Let hon. members take it from there.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, it is my pleasure to rise and participate in this particular debate—a debate that has been emphasized to be an important one, and surely we will all agree with that.

I will not take an unnecessary amount of time by way of introduction. Rather I would like to get to the substance of what I would like to say just as quickly as possible.

Mr. Speaker, in conjunction with the Throne speech, and particularly in conjunction with the resolution that has been presented, it does seem to me that the broad outline of purpose is a desirable goal. I do not think anybody could quarrel with the goals that we have in mind. The question is, how do we implement these goals efficiently and quickly?

One observation I would make at the outset is this:

We talk a lot about economics and economic laws. We talk about economic planning. I would point out that in conjunction with the unemployment problem we have not only an economic problem but we have a social problem. The man who is unemployed in Ontario today does not care what we are going to do 2 months, or 3

months, or 4 months, or 5 months from now. He does not care what study groups we set up. He does not care what particular programme we evolve that will take place in terms of implementation a year or two from now.

He is concerned with what we are prepared to do immediately.

Therefore, I say, it does seem to me this problem divides itself into the social problem, if I may call it that, and the economic problem.

The social problem is the question of how we get money to the man who is unemployed in Ontario today, as quickly as possible.

I personally believe, and I think I can demonstrate in the presentation I am going to make, that the man who is unemployed in Ontario today is, in the main, a labourer, a manual labourer. He is a man who is equipped to do physical work only. That is why I suggest that the way that the Ontario government can most help is to provide jobs that demand manual labour in quantity quickly.

I did agree with the hon. member for York-Scarborough's observation, Mr. Speaker, that maybe the government should expand the forestry division. Certainly they should expand the conservation programme. Certainly, in my opinion, they should expand the planning programme, the recreational programme, that I understand is to take up park land in the near future. They should buy property quickly. They should determine now what they are going to do about conservation and start cleaning programmes. These programmes will employ people to do physical work immediately.

Now, that, Mr. Speaker, is the essence of my first point. There is a social problem here. A man who is unemployed today is concerned, not about plans for the future but his bread and butter tomorrow. And this is a real social problem.

An hon. member: Hear, hear.

Mr. Wintermeyer: I am not speaking dramatically about this, but I frankly believe that if we fail to solve this immediate social problem we will have failed the people of Ontario. And I cannot emphasize too strongly that thus far neither the Throne speech nor the resolution as such, except in reference to the forestry provision, comes to grips at all with this immediate problem of unemployment and the social aspects of it.

I believe, and state very clearly, that the big danger in the free world today seems to me to be a failure to solve this problem.

The failure will drive people to the conviction that maybe another system is better than ours. I do not think the choice is that which we had 15 or 20 years ago. The choice now is whether or not our system can be made to work quickly to take care of people who are in dire social circumstances—and there are people who are in dire social circumstances, Mr. Speaker.

I would point out that today, in Ontario, according to the last records I have, there are upwards of 109,000 people unemployed. Now 109,000 may not seem to be many people in terms of the over-all population. But if one can envisage, say, the city of London and its environs wholly unemployed, we would be up in arms! We would be ready to do anything! We would be ready to invoke the same sort of governmental restrictions and implement governmental activities as we would in war-time.

Now, that number is unemployed tonight.

Furthermore, Mr. Speaker, a year ago there were far fewer people unemployed in the month of August than there were in the month of August of 1960. And if the increase is going to continue during the winter months, when we all know that unemployment is more severe than in the summer months—I chose the month of August, I could have chosen the month of February a year ago, when there were almost 150,000 unemployed in Ontario—if that same increase continues it will mean that within a matter of relatively a few months, more than 200,000 people will be unemployed in Ontario.

Mr. Speaker, that is a matter of great concern to us. We cannot sit idly by. We cannot talk about theories. We cannot decide what we are going to do in the future.

I agree that we have to discuss those latter subjects in order to bring our economic system into reality. But, the simple fact is that we must likewise tackle immediately the social problem, and it reduces itself to utter simplicity. How do you get money quickly into the hands of these people, so they can live the type of life we would expect for a person in Ontario at this particular time?

Now that is the first problem that I wish to point out. And I would point out that within the course of the next few years, this problem is going to be compounded. Our work force is going to increase. It is anticipated that we will be required to find about 200,000 new jobs each year from now on. That comes only as a result of the increase in our population.

During the last 10 years we were required to find about 100,000 new jobs each year.

In the course of the next 10 years we are going to be required to find double that number, and this—

Interjection by an hon. member.

Mr. Wintermeyer: I am sorry, I am talking about Canada. I could find no comparable figures for Ontario, but I suppose we could approximate it—

Hon. Mr. Frost: Fifty thousand is the figure.

Mr. Wintermeyer: —I would suppose about in the neighbourhood of 50,000. I can reduce my proposition, however, to understandability when I say that for every job that we were required to find in Ontario in the last 10 years, we will be required to find two jobs in Ontario in the period 1960 to 1970.

Now, the next point I want to make, Mr. Speaker, is this:

I think we should analyze the character of the unemployed force at the present time. Who are these people?

Well, the first dramatic finding that I am able to present is this: Of that group that is unemployed in Ontario, 24 per cent, roughly a quarter, are under 19 years of age. They are youngsters. They are not the over-65 group. They are not the people over 45 we so often talk about. They are youngsters who are just beginning their working careers.

One out of every four of the unemployed group is under the age of 19.

I suggest that right here we must resolve that in Ontario today we are not adequately training our young people to take part in the technological demands that are incumbent upon us at the present time.

Obviously, these youngsters are going out of our schools unprepared in any trade, unprepared to do anything but physical work. The result is that they are the first to be set aside and rendered unemployed.

Now this is real criticism, in my opinion, and I would add that not only are 24 per cent under 19, but an additional 16 per cent are under the age of 24. In other words, 40 per cent of the unemployed group in Ontario at the present time is under the age of 24 years.

There, again, the same comment I have made before—these are people who are not prepared to meet the job demands that are in existence. They are not prepared for automation. They are not prepared for the technical demands that our economy is making on our society.

That fault must rest right here in this Legislature—of failure to anticipate the needs, of failure to prepare young people with training programmes that will assist and direct them.

Some hon. members: Hear, hear.

Mr. Wintermeyer: I would point out, Mr. Speaker, that 40 per cent of our unemployed population lies between the ages of 25 and 45, and 20 per cent between 45 and 60. In other words, 40 per cent are under 24; 40 per cent are between 25 and 45; and 20 per cent are 45 to 65.

The next question we might ask ourselves is this: What was the nature of the new jobs that have been created in Canada in the last 10 years? In the years 1950 to 1960, some 1,038,000 new jobs were created in Canada. Of that number of new jobs, 9 out of every 10 were taken up by the so-called white-collar group, and I include technicians in the white-collar group.

In other words, the service industry, the clerks, the stenographers, the people working in insurance companies and so on, those skilled in the trades, took 9 out of every 10 new jobs. Only one out of every 10 new jobs went to physical labour. Manual labour made a demand of only 10 per cent on the new jobs created in Canada.

Yet we persist in turning out young people who are capable only of doing manual labour. This certainly, Mr. Speaker, is a criticism of those in charge of the administration of this province, and of all of us presuming to know, presuming to understand what the demands of this province are at this time, in terms of labour and in terms of jobs that are available.

Mr. Speaker, that, in rough language, is the background and the content in which I want to approach the economic problem.

I now want to talk about the question of the future, the question of economic planning, if you will. But I must emphasize, at this juncture, that my concern primarily at this time is what to do about the man and the woman who are unemployed. This is a social problem. They need money immediately and we must devise the quickest way in which to get it to them.

In the resolution that I will move at the end of my remarks, I will include a suggestion that immediately we should think in terms of conservation and recreational service in Ontario areas, wherein we are committed to spend money over the period of the next two years. We should speed up those programmes to absorb people who are able to

contribute only manual labour to our work force so that they can begin, not 5 or 6 or 7 or 8 months from now, but within a very short time, to gain the type of dignified wage that is required to overcome, in large measure, this current problem.

Now let me refer to this economic problem. The ultimate objective, Mr. Speaker, I suggest—the ultimate objective of economic opportunity—is the maximum common welfare or good. The great majority of the Canadian people want to achieve that objective within a mixed economy, where the direction and composition of public and private sectors are determined by the democratic process and free markets.

The requirements of general welfare are varied. They can be expressed partly by 3 secondary objectives—namely, sustained and balanced growth, price stability, and minimum unemployment.

Canadians today expect an ever better performance from their economic system. They do want rapid economic growth and the social improvements that go with it. But they do not want irregular growth interrupted by periods of mass unemployment or hampered by inflation.

In other words, they want long-term development but also short-term stability, with high levels of employment and stable prices. In addition they wish to retain their freedom of choice.

Mr. Speaker, that indeed is a tall order, but that is the order we must look to, and that is the order we must meet.

I have said that the ultimate objective of economic activity is the maximum common good. What are the factors which involve that common good? What are the economic factors that we must consider?

I have outlined these factors in terms of growth—economic growth in terms of inflation, if you will—price stability, and employment or unemployment.

With respect to growth, what are the factors that contribute to growth, to economic growth?

On the supply side, Mr. Speaker, I suggest we have the problem of an efficient labour force that is a necessary adjunct to growth, economic growth.

As for the question of resources, any society that intends to grow economically must have the natural resources to prosper.

And, thirdly, available capital.

So, on the supply side of growth, you have resources and you have quantity and quality of employment. On the demand side, markets.

Mr. Speaker, it is as simple as that—markets—and we do not have the markets we require in Canada and in Ontario. Much of our difficulty, today, relates itself to markets.

I think we have the size and quality of labour force. I think that we can, as the hon. member for York-Scarborough has talked about, increase the availability of capital. There is no question but that it is a contributing factor which we must discuss, but I think it can be made available. I, personally, am in agreement with those who would arbitrarily bring our Canadian dollar into line with the American dollar.

I am not too much concerned with the economic rules of supply and demand. I suggest to you there are two ways of doing it. Literally, the Bank of Canada now has power under our legislation to simply produce dollars, if you will. It will be an inflationary move—"Buy up all the bonds," as the hon. member for York-Scarborough says. It will simply produce more dollars.

Those more dollars will be inflationary in their nature but they will bring the Canadian dollar into par—into line immediately.

Or, go to the international monetary fund and make an arrangement, as England did, to arbitrarily bring our dollar in line. I suggest one or the other of those arrangements should be made.

As for natural resources, who in the world—and what country in the world—has the natural resources that we have?

On the supply side we have all the necessary factors. But we certainly, in terms of markets, have not done what should have been done, and what must be done.

Let me talk about markets for a few moments. Comparing ourselves with the year 1948, our imports are up 87 per cent. In other words we are importing 87 per cent more than we did in 1948. Our exports are up only 34 per cent, less than half of what our imports are, and our gross and national product has gone up by only 57 per cent.

Mr. Speaker, those simple figures demonstrate that what is happening is that we became a paradise for the other fellow's market. We are importing more than we should. We are not exporting as much as we should; and our gross national product is not going ahead fast enough to absorb the labour force coming on the market as a result of the growth in our population. More, what about industrial expansion and production?

Well, between 1950 and 1953 our industrial production was up 20 per cent; from 1953 to 1956 it was up again, by 20 per

cent. But from 1956 to 1959 it was up only 7 per cent. Here is a factor.

What about investments from 1950 to 1953? Up 24 per cent. I am talking now, Mr. Speaker, as the hon. member for York-Scarborough did, about capital: 1953 to 1956, up 23 per cent; 1956 to 1959 actually down.

Now, Mr. Speaker, these are the facts we should look to. Also when we talk economic trends, let us think of the future; let us think of the years that are immediately ahead. What are we going to do between now and 1970? The forecast suggests that between now and 1970, this will be the trend in employment: Agriculture will employ about 8.6 per cent of the working force; our primary industries—and they are our natural resources industries—will employ about 11.4 per cent, or a total of about 20 per cent; one-fifth of our total employment will be in the neighbourhood of natural resources, heavy industry and agriculture with 80 per cent in the secondary industries and in the service industry. Manufacturing is going to be the big source of employment, in the next decade.

Again markets, again trade agreements, and I would intervene at this particular time, Mr. Speaker, to tell you that I am not one who believes we have lost our markets because of our high cost of labour. We have lost our markets because we have not had the ability to go out and make trade agreements that would give us certain protection in given markets.

What about our Western European markets in the growth of—what do they call them—outer and inner countries? They are making agreements amongst themselves, excluding us. There are other agreements throughout the world that exclude Canadian products. In the United States today, it is impossible for any Canadian firm to bid against an American firm for governmental business, unless the Canadian firm's is something like 12 per cent less than the American price.

This sort of protection, that has been given to manufacturing industries outside of Canada, has not been used here.

I am not a tariff man. I am not an out-and-out protectionist. But I say this: We have to understand this problem; we have to understand the facts that in secondary industry and in manufacturing we are committed to a high labour cost.

I believe in unions. I believe in high wages, and I do not make any apology for it. I say, Mr. Speaker, that is not what is causing unemployment. The simple fact is that, if we make a type of agreement that could and

should be made, we will take care of these markets.

But what is Ontario doing? Let me illustrate: In the electrical industry, a typical secondary industry, this is what has happened in the last few years.

In 1959, one-third of all electrical produce sold in Canada was imported. Now, what has the government done? What has this government done about assisting that industry? We have Hydro buying in England, in Ireland, and in West Germany in competition with companies doing business here in Canada, simply because they can buy goods for a few dollars less.

Mr. Speaker, I disagree with that policy. I believe that there are instances where Hydro has acquired produce, if I may use that word, transformers specifically, in England at a price a little less than Canadian producers were prepared to sell at, but at a price less than the same manufacturer in England was permitted to sell in the English market.

In other words, in England that manufacturer had to sell at a price in excess of what the Canadian manufacturer would have charged Hydro, yet Hydro took the opportunity to buy because they thought they could buy for a few dollars less. Is that helping secondary industry? Is that thinking of markets? Is that assisting the unemployment problem? Is that building up this industry to which we are going to have to look for 80 per cent of our employment in the future, the manufacturing and servicing industry?

It certainly is not, Mr. Speaker. And these are things that I suggest, in the long view, we have to think about

I have said that we do not want excessive growth, then mass unemployment, as we had in the 1930's. I think we want a certain control. I think people today recognize there must be certain controls. They are prepared to accept reasonable controls in government.

I said that I acknowledge the high labour cost. I do not want to change that. I am not one who thinks that is the whole problem. But, understandably, if we have a high standard of living, we are going to have difficulty in competing in secondary industry with other countries that have a lower standard of living.

Now what is the real need today? Well, the real need in my opinion is some economic co-operation and co-ordination between industry, labour, agriculture and government. I believe this is the area that must be pursued.

I believe in a certain amount of economic planning. I think this is what we have to

look to. This is what we have to think about, and this is what we have to prepare to determine. What are our national objectives? Wherein do we want to do something?

We talk about the natural resources industry. Of course, they are exporters. They have a low labour content. It may be possible, it may be desirable, in their turn to export as much as possible, but we must think likewise of the manufacturing industry.

The point I want to make is simply that there has to be an element of economic planning in the future, and that must come with the leadership of government.

Some hon. members: Hear, hear!

Mr. Wintermeyer: Now, it is all right to talk about co-operation with—

An hon. member: Sounds like socialism to me.

Mr. Wintermeyer: —the other levels of government.

But the question that we must face, Mr. Speaker, and must face directly is this: How are we going to bring about this in a way that is acceptable to people, in a way that is reasonable and not with the extreme intervention of government, nor in a completely planned economy? That is not what the people want. But they want some direction. They want some leadership, and I suggest this is what is not happening at the present time.

Now, Mr. Speaker, I will have a few more words to say about that. But let me now go back, if I may, to another point with respect to the structure of unemployment.

You recall I talked about the people who are unemployed, who they are and why they are unemployed.

Let me point out that there are other factors. There are the seasonally unemployed, there are people who are unemployed for cyclical reasons, and there are the people who are unemployed for structural reasons.

Let me differentiate. We all know what seasonally unemployed groups are, people who work in the summertime. The fishing industry and others may be illustrations.

The extraordinary part is that last year our unemployment in Ontario, in relation to the national scene, went up in the summertime. Last year the Ontario unemployed represented 24 per cent of the total national unemployed group in the month of February. But in the month of August, they represented 34 per cent. In other words it is not the seasonal

problem that we are faced with. Other provinces have a greater seasonal problem than we have.

Is it, then, a cyclical problem?

The cyclical problem is simply this. It is known and it is obvious that industry produces for market and that market sells to consumers. Now when the market becomes flooded, if you will, when it becomes satisfied it backs up. Inventory stacks up in the salesman's warehouse. He in turn stops buying from the manufacturer and the manufacturer stops producing.

That cyclical unemployment has had a history of roughly 22 months. As we have gone through the cycle in a period of 22 months, every 22 months, we have gone through this cycle. I do not think that is too much of a problem. I think one of the serious problems we are facing, at the present time, is the structural cause of unemployment, the area to which I referred at the outset when I said that there are people unemployed in Ontario today—in spite of the fact that there are job demands for skilled technicians; in spite of the fact that there is demand in the white-collar fields for people.

The structural fact is that automation and technology have done away with many of the physical jobs. Consequently those unfortunate persons, who are not trained and who are not prepared, cannot switch to more technical jobs, so find themselves on the unemployment rolls. They are older people who are not skilled. Likewise, and very unfortunately, a large part are the young people who are simply not prepared now and never will be.

Now, Mr. Speaker, I would like to refer again to this question to which the hon. member for York-Scarborough addressed himself. It is the question of money, of fiscal policy, of monetary policy.

I believe it is time we had cheaper interest rates. I believe that our dollar should be at par. I am not afraid of inflation at this particular juncture, and I would think that this government should use its influence now, not just talk about it, but use its influence to bring what pressure is required to be brought in the proper sources to bring this about.

It will need expansion. There is no question of cheap money needs and easier availability of capital. It means that people will borrow, where they would not otherwise borrow. This will, of course, create economic activity.

The problem always is that the creation of that activity can mean at the same time inflation and this is the area of concern. But, I do not think that it is the immediate

concern, and I think the government should address itself to this problem.

Mr. Speaker, now comes the substance of what I want to outline to you.

I think that the speech from the Throne and the resolution have outlined certain things, desirable goals I call them. I repeat that. They are desirable goals.

But I am concerned about their implementation. I do not think that the goals outlined in the speech from the Throne and in the resolution are going to do a thing for the unemployed in Ontario today, and I do not think any concrete plans are being implemented to pursue the goal.

Now my first suggestion is this:

First, create job demands in the physical manual field, as I have said two or three times. I refer specifically to the area of conservation and recreational land clearing and development. In conjunction with the economic problem, what we need here in Ontario is an economic research council. Certainly we need more economic research. We have not had it in the past. We must do economic research in the same way as we are doing medical research, in the same way as we are doing scientific research.

We do not know enough about pure economics. We do not have enough facts and figures in Ontario to guide us and direct us and let us know what the situation is.

The figures I have given this afternoon are federal bureau of statistics figures. They are not Ontario figures. I do not know where we can get Ontario figures.

Do we have them? Are they being published? Are we in a position, is anybody in a position tonight in Ontario to analyze this situation in a scientific fashion? I suggest they are not, I suggest the development of a new economic department that will advise the varied other departments of the province of Ontario in coming to grips with its problem. We need an economic research council that will bring the best economic brains that we can accumulate to pass on the findings in the research they do to all the people of Ontario.

The second thing we need is an advisory board on economics, development and stability. We need a non-partisan, non-political board made up of representatives from management, labour, agriculture and government to advise on these things. We must co-ordinate our efforts. We must co-ordinate the public and the private sectors. We must know whether our stress next year is going to be building schools or whether

it is going to be trying to expand our manufacturing industry. We must co-ordinate these efforts in the private and the public sectors. But today we are doing nothing about it.

There is nothing mentioned in the speech from the Throne, and there is nothing mentioned in this resolution that would bring to bear such intelligence from a non-partisan advisory board to assist.

I think this board could be implemented. It would bring to bear the type of observation I have tried to make in terms of markets. It would bring to bear the position of labour in this province and, likewise, agriculture. Further, it would give us an opportunity to co-ordinate governmental objectives and goals, with a private goal. It would give us an opportunity to say to industry: This is what we would like, this is where the stress should be. That board, advising government in a non-political and non-partisan way, could assist in gaining the confidence of industry to co-operate with any objectives set forth.

Thirdly, we have to prepare immediately technical schools to assist the young people. I think that the young people who are unemployed today should not only be encouraged to attend these schools but should also be paid for attending them, because this 40 per cent of our unemployed group is going to remain—and I hate to say it—on our labour markets for the rest of their lives.

The fact is, they are not prepared today. They are not going to be prepared tomorrow nor the next day after that. As unemployment rears its ugly head periodically, they are going to be the first to feel it.

These people should be schooled. They should be prepared now.

Then, as I said, we must pursue this question of getting money to the older, unemployed people immediately and quickly.

Now, Mr. Speaker, for these several reasons I would like to amend the resolution of Mr. Sutton, the hon. member for York-Scarborough. I would move, seconded by Mr. H. C. Nixon, that the resolution be amended by adding the following words:

In order to further these desirable goals, the government of the province of Ontario forthwith:

(a) Immediately expand provincial projects such as conservation projects, recreational projects and other provincial projects which, in their implementation, require heavy demands for physical, manual labour;

(b) Establish an economic research council;

(c) Establish an advisory board on economic development, planning and stability, to co-ordinate the private and public sectors of our economy, and that the said board be non-partisan and include representation from management, labour, government and agriculture.

(d) Expand existing facilities and develop new facilities to assure the immediate opportunity of young people to pursue further advanced technical studies to fit such young people for the job demands foreseeable in the next 10 years.

(e) Establish a job retraining programme for unemployed people whereby such persons will be encouraged to retrain themselves during periods of unemployment for the job demands foreseeable in the course of the next 10 years.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in rising to take part in this debate, I may say that we have heard two very thoughtful speeches: the addresses by the hon. member for York-Scarborough and the hon. leader of the Opposition. May I say, sir, that I count this problem to be the most serious and most fundamental one facing the Canadian people. I am looking at this matter, first of all, in the long range. I think long-range solutions are those to which we should address ourselves and which we have to solve if we are going to meet the Canadian situation.

Of course, the other angle is the short-term solution as to what we should do in the present situation. One of the fundamental problems of the Canadian people is this: since 1945 we have placed too many eggs in one basket. As a matter of fact, the underlying motivation of Canadian policy in the last 15 years has been very largely directed to business with the United States. In Canada, in the last years, we have been in a seller's market, and have grievously neglected the United Kingdom market, the South American market and other markets which would be open to us.

I think our problem, to put it in a few words, is this: that we are living, in the words of this resolution, in a highly competitive world. We are living in a world which is no longer a seller's market but is a buyer's market. We are faced with competition from all sources that did not exist before.

I think, sir, the fundamental problem facing Canada is this: the readjusting of ourselves to the new world in which we have emerged. That, sir, is the situation as I see it.

Recently, I have had the opportunity of making two presentations about which I have

no doubt hon. members know. One of them was the submission of the government of Ontario to the Royal commission on the automotive industry.

I suggest, sir, that the hon. members of the House, who have not already done so, read the first portion of that brief which is directed to the problem of secondary industry. And I should say they should pay particular attention to the concluding part of that presentation, pages 12 to 17, which I think deals with the problems faced by Canadians and with which we here in Ontario, as an immense manufacturing area, are faced.

Our manufactured products run to about \$11 billion annually and the hon. leader of the Opposition has said that only a very small portion of that can be consumed here in Ontario, indeed in Canada, with our 18 million people.

Therefore, we have to live on the markets of the world. This, I think, is the problem we have to contend with.

The first part of the submission we made to the Royal commission deals with the problem of secondary industry, because the automobile industry itself is only part of one facet of the great compass of secondary industry.

The second point I made, the other day, was to the industrial conference where I made some, I think, very objective references to both the problems of today and the immediate and the long-term problems.

May I say to my good hon. friend from York-Scarborough that he asked a number of questions, the answers to which I endeavoured to put from my standpoint in that presentation. I would like to point out, as I said at the time, that I recognized that these things are controversial. Some of the things I said were controversial.

Nevertheless, I think these are all things we should consider at this time, when Canadians are looking at the prospects of their country, which I believe, sir, to be unlimited. The prospects of this country are unlimited, if we have the courage and the adaptability to take over. I think that is the underlying situation.

May I say this to the House, that I am now able to look back in this country over a very considerable period of time. As a matter of fact, the days of my activity really started with the emergence of a new world in 1914. I have mentioned this, perhaps, in the House before. But I very well remember standing on the streets in the town where I was born, and seeing the men of the first contingent going to war, wearing red

coats and blue trousers to a war that was going to be over in 30 months.

It happened, sir, that at that time we were emerging into a new world which we did not recognize. We who lived in that world always thought we would come back to more stable things of perhaps the latter part of the Victorian era.

This has not been the case, and is not going to be. We are going to continue in a world which is going to be newer and more competitive, as time goes along. Canadians have a great ability to adapt themselves to circumstances. In fact, we have seen our economy emerge from the days of red coats and blue trousers to the atomic and nuclear age and, all in all, we have done pretty well. I have no doubts about the ability of Canadians to do this job.

First of all, sir, may I say that there are very many references which I could make. My hon. friend has moved an amendment to the resolution which I have not had the opportunity to read, but which I would say to him sounds well in words. I point out to him the difficulties of adding to a resolution a nebulous factor because we have got to remember this:

We must have ways and means of translating things into action, and I would say concerning the type of committees he mentioned, while they had their good points, nevertheless their history is not one wrought with a great deal of success.

I am not saying it could not be successful in that particular case. But, on the other hand, I would refer my hon. friend to the programme that was placed before this House in the speech of his Honour the Lieutenant-Governor (Mr. Mackay). Now I do not want to be out of order on this, but I would point out to my hon. friend the specific way of dealing head-on with these problems in a way which does not require the bringing in of nebulous people and nebulous influences to design policy and produce activity. However, sir, I do not say those things to be derogatory in any way of my hon. friend's address or proposal. I think it was a reasonable approach, and to that extent I am prepared to give my hon. friend full marks for what he said.

In approaching this problem, we first of all must remember this: We have to take this matter in a setting, and I think it is fair to point this out. In taking it in a setting, we have come a long way from the days of the depression of 30 years ago. The hon. Minister of Public Welfare (Mr. Cecile) will be giving the particulars of this.

However, in the province of Ontario what you may call the built-in stabilization factors are of the order of nearly \$460 million a year. Of course, those are not all of the expenditures made by any means by the government of Ontario alone. It is a combination of federal, provincial and municipal government expenditure.

That is a very huge sum of money indeed. The things it encompasses of course, include very many facets of our society, and they were designed late in the depression by succeeding governments, at all levels of government, to meet requirements raised by the various adjustments which occur. These things include, as the hon. Minister will mention: unemployment insurance, old age assistance, old age pensions, pensions for disabled persons and others.

The matter of unemployment assistance, for example, has taken a very advanced form because we are able to achieve the abolition of the .45 per cent provision about which we complained very bitterly in this House.

Now, sir, I will not elaborate other than to say that other hon. Ministers will deal with a number of the problems that my hon. friend mentioned, and will deal very specifically with plans, short range and long range, to meet the situation.

On the other hand, I say this again, sir, the real problem has to be faced and met by all levels of our people. This is a Canadian problem. The hon. member for York-Scarborough mentioned that, in bringing this forward, he did it to provide the opportunity for discussion and making people think about the situation which we must face. I think it is a very fair and proper thing to do.

Now, sir, this problem as I said at the outset—and as the hon. leader of the Opposition mentioned—is really divided into two portions. There is the immediate situation, and there is the long-range situation.

This resolution is obviously directed to the long-range situation rather than the short range; the former will be discussed here in great detail in the next few hours and in the course of this present session. I think it is well to get this prominent problem in perspective when we are discussing the short-range situation. There has been a confusing use of figures on the old basis and figures on the new basis.

I read with very great interest a speech delivered by my friend Mr. Walter Gordon, on the night of November 23. I delivered a speech myself on this subject the next day at noon. I can assure hon. members there was no collaboration between Mr. Gordon and myself,

and agreement on certain points was purely co-incidental.

I think Mr. Gordon's figures, as I have been able to read them and assimilate them—I am not an economist, I do not profess to be in that calling—but as I have been able to assimilate them, I think that Mr. Gordon's references were to figures compiled on the old basis. At the present time, both in Canada and the United States, there has evolved a new method of computing these matters which should be more satisfactory.

In Ontario, our present unemployment figure is approximately 5 per cent. That is, 5 per cent calculated on the present basis, which gets away from a lot of the difficulties and duplications which are apparent in other figures.

I am using the figure of October 15, which is the latest available. The Ontario figure then is running approximately one per cent over the 4 per cent which is calculated to be a fair average of unemployment in what is described in modern terms as a situation of full employment. It will be understood that in any condition of full employment, there is always a residue of unemployed, which upon present calculations—there was reference to this in the press today—runs to about 4 per cent, including temporary dislocations and things of that sort.

Now the present 5 per cent figure in Ontario is based upon a computation, as I say, somewhat different from that used before. It is presently based upon employment by persons subject to recall through temporary layoffs, and who, therefore, are only temporarily unemployed.

I say in that regard that unemployment insurance, and the figures in connection with unemployment insurance, can be subject to a very misleading result if we work them out.

I think that those in charge ought to have a look at unemployment insurance, and see that it is insured.

Now, in Ontario we are in an additional period where temporary layoffs cannot be avoided. Employment is sometimes called to a halt in a plant which is adjusting to a market situation. We have plenty of market situations today, for example during "tooling up."

At present, there is more of the dislocational type of unemployment than usual due to the increasing availability and the competitiveness of the demand for the product. This dislocational type of unemployment is referred to by economists as functional unemployment. This refers to delays which occur in re-establishment where

it is necessary for the employee to obtain work in another area or industry.

A breakdown of the employment in Canada as of October 15 this year is as follows: The average unemployment in Canada has been running at 5.7 per cent. The Atlantic provinces showed unemployment of 7.8 per cent; our sister province of Quebec, with 126,000 unemployed, 6.9 per cent; in Ontario, 120,000. My hon. friend used the figure 109,000, but as of October 15, 120,000 or 5 per cent of our work force was unemployed; in British Columbia 45,000 unemployed: 7.7 per cent of their working folk.

It will be seen from these figures that not only are we in Ontario below the Canadian average, but I would say that we are below the United States average.

In the great manufacturing province of Ontario we are producing \$11 billion worth of goods annually. We are showing the lowest unemployment percentage and ratio in Canada, and one that is below that of the great country to the south. I would point out that Ontario is most affected by unemployment in the secondary industries. The provinces most comparable to our own are Quebec and British Columbia. In the case of Quebec they are running at 126,000 unemployed or 6.9 per cent, and in British Columbia, 45,000 unemployed or 7.7 per cent of their work force. Now I give to my hon. friend here, also based upon these computations, some rather interesting greater figures.

Three years ago, in 1957, the unemployment average in Canada was 4.6 per cent and in Ontario it was 3.4 per cent. In other words, we were running about 1.6 per cent below what we are today. In 1958, unemployment in Canada rose from 4.6 per cent to 7.1 per cent, and in Ontario, we rose from 5.4 per cent which is .4 per cent higher than we have at the present moment. In 1959, unemployment in Canada dropped from 7.1 per cent to an even 6 per cent, and our unemployment here fell to 4.5 per cent, which is .5 per cent less than it is today. The figure I have given you is for October 15, 1960: 5.7 per cent in Canada.

The prairie provinces have a lower rate of unemployment because of their farming economies. In Ontario we are at an even 5 per cent as of that date. Now, sir, those are interesting figures, to which, I think, it is well to give fair assessment at this time, while we are facing up to this very important problem.

Now sir, this problem has not arisen in the last 2 or 3 years. As a matter of fact, it goes back at least to 1952. I noticed in Mr.

Gordon's address, which I read with great interest, that he mentioned there had been a drop in the output per head.

Now, that is a very important matter. As a matter of fact, that gets right into the heart of this thing. It is a question of how much our people are able to produce per head, and sell, not only at home, but abroad.

As a matter of fact, the highest period was the 4 years between 1948 and 1952. We found that, at that time, in counts of dollars, the production was increasing at about 13 per cent per capita. Between 1952 and 1956 production dropped down to 7 per cent, and the trend that commenced in 1952 has persisted through the intervening years up to the present time.

Mr. Gordon says this is a sad story. It is certainly one to which the Canadian people should give attention. In other words, it means that we have progressively in that period of time—and I have taken it to 1952 although I rather believe from what economists tell me that it goes back for a year or two before that time—that in the last decade, in per capita of our population, we are actually becoming less productive.

This is certainly a problem for all levels of government. It is a problem for industry and it is a problem for labour, because upon that matter depends our ability to maintain the standards of living which we have in this country. It is not a problem for one sector alone, it is a problem for all of us to look at in a world which is so highly competitive.

Mr. Singer: There are also more people out of work.

Hon. Mr. Frost: No, no. That is not true, for this reason. If we go back to that period from 1948 to 1952, we will find our unemployment averages on the basis of new computations here in Canada were running only about 3.2 per cent, and here in the province of Ontario, 2.3 per cent.

Economically, these slides are easier to start than they are to stop. Now that is so. They gain momentum.

So I would say to my hon. friends that this is a cause for soul-searching. I said we placed too many eggs in one basket in those 15 years, and now there are a lot of them getting broken up. We are in difficulty.

I would not say we are in difficulties beyond the capacity of our people to solve. But I just point those things out.

My good hon. friend from York-Scarborough asked certain questions about what has been described as tight money, about which I have

complained bitterly in this House. These include high interest rates and the high exchange rate.

That problem, sir, had its beginning, as far as this country is concerned in a very real way, in the year 1955. If hon. members will look at my addresses to this House they will find that I had to complain, as I complain today, as far back as 1955. These are not new complaints at all.

I would say this about the exchange rate with the United States: I have usually found economics a pretty sensible thing that follows the processes and evolutions of common sense. But, I must admit that, to see our country faced with an exchange rate running up—I suppose 5 or 6 per cent at one time, perhaps higher than that—in relation to a country over which we have had, over most of that period, something of the order of \$1 billion a year of trade deficit, seems to me completely senseless.

I have mentioned that in this House on several occasions. And I say to my hon. friend from York-Scarborough, I did mention that at an address on Warriors' Day at the Canadian national exhibition back some 3 years ago in 1957.

The strange part of it was this. I said that, in my judgment, Ontario was being victimized by international forces and others, and that our exchange rate was held at a ridiculously high point. The queer thing is that they must have taken more stock in me, Mr. Speaker, than some of the hon. members do, because the rates fell from, I think, around 5 or 6 per cent to about 2 per cent overnight.

But, afterwards these people found that what I said was not particularly serious as far as they were concerned, and the rate went up.

Now it seems that, when we talk about our trade being unbalanced with the United States, yet give them a premium to get their goods in here and undersell us, it is a procedure beyond my conception of what is common sense.

Mr. MacDonald: He should get the hon. member for York-Scarborough to explain it to him.

Interjection by an hon. member.

Hon. Mr. Frost: When an hon. member said, "Go outside and waken up," that is what he needs to do. However, Mr. Speaker, some hon. member now says it is impossible for some to waken up.

I want to make a reasoned address here, and I would say that, like Mr. Gordon, I

am probably better when I make non-political addresses, and that is what I propose to make at this time. It is a non-political address, a dissertation on things as I see them.

Mr. T. D. Thomas (Oshawa): This is a national problem.

Hon. Mr. Frost: I propose to try to view this in a very impartial, non-political way. I say to my hon. friend from York-Scarborough that I have objected very much to the floating bank rate which was introduced in 1955. Now I could be wrong about it, but I have objected to that. It was introduced in 1955, and I say to my hon. friend, the leader of the Opposition, that from his party stem the difficulties that we have had since, with a floating bank rate.

If there is a fixed bank rate, then there is the authority to direct our economy and to control interest and money. It seems to me that to have it drift along haphazardly from perhaps a 7 per cent rate down to a 2 per cent rate in a period of half-a-dozen months is carrying things to the point of absurdity. These things have been happening, and that is the objection which I have taken.

I would say to my hon. friend, what I am saying here now I have said on very many occasions. He has been here since 1955, and I know that he has listened very carefully to my speeches and perhaps he might have tabulated and indexed the better ones, I do not know. He seems to be pretty good at that.

But if so, he would find that I have said those things about exchange rates, and I have said those things about the bank rates. I have complained very bitterly in this House over that period of time about interest rates and the charges that we have to pay here, including the very great increases there are for servicing our debts and servicing the debts for the municipalities.

All, I believe, are because of the fact that over that period of time there has been too much attention paid to a matter that is important, that is the matter of inflation. But not enough attention has been paid to the underlying requirements of this country—that we have to expand in this country in order to live.

Now, sir, that is the fundamental point. We have got to expand to live, and I say to the hon. members of this House that in Canada we have to be prepared, at all costs, to do this for this reason: Canadians, with 18 million people, are living on half a continent in a world which is land-hungry.

I think one of the hon. members mentioned the great increases in population in the world. If Canadians are not prepared to go out and develop their heritage, and do it in a very forthright way and take all sorts of chances in doing it, then we run the great risk of somebody else doing it for us. That is the situation as I see it.

There are some matters in Mr. Gordon's speech with which I find myself in agreement. Some I find myself in disagreement with.

First of all, I have referred to the imbalance in trade with the United States. Mr. Gordon mentions 3 remedies and he prefers the third. I will refer to these in my own way in just a moment in conclusion.

He refers to his own remedy, that is the control of monetary policy as opposed to tariffs and things of that sort. I think one of the great problems we have to face today is that very fact, and that is one of the reasons why we have been paying so much attention to it, as is evident in the Throne speech if my hon. friends would take time to read that non-political document. Here they would see that is one of the basic conditions set forth.

Now, sir, this brings us down to what my hon. friend said about various types of public works. I point out to my hon. friend that, at the present time in Ontario—and this figure has been given before in this House—that our programme, roughly a \$1 billion programme in the levels of provincial and municipal governments—the latter which we subsidized to the extent of about \$350 million a year—is producing work for around about 310,000 people.

Now that is capable, I would say to my hon. friends, of some expansion in the matter of winter works and, of course, it is capable of certain other expansions provided we are able, on the financial markets, to get something in excess of the \$225 million that we are now compelled to borrow for refinancing and for new money.

These include certain things such as urban renewals and redevelopment and public works in the immediate range and the hon. Minister for Municipal Affairs (Mr. Warrender) will mention this later in the day.

There are some very interesting proposals made by the federal government. One of them is in relation to pollution works. Now, going back to the days of the other government—with Rt. hon. Mr. St. Laurent as a matter of fact—the correspondence has been tabled here to the effect that Ontario in very, very many ways was the unfortunate recipient of pollution and other troubles brought about by the very rapid industrial development of

this province and therefore to an extent it is a national problem.

Now I greet with great approval—subject to what I am going to say—the fact that the federal government is proposing certain assistance to this and other provinces so afflicted.

I say that, sir, subject to this: If we had our own rates in this province, we would do that job ourselves.

Mr. Singer: Why do you not make some?

Hon. Mr. Frost: Well, I would suggest to my hon. friend that he go out in the corridor and shake himself up. He might be able to bring himself down to a point of reasoning in connection with that. That has been a much debated subject in this House. Mr. Gordon said in his address that he was very much interested in and viewed with approval some of these things I mentioned, and I too will be very interested to see the legislation that is brought down to implement these proposals.

Now, a point where I disagree with Mr. Gordon is in the matter of deficit financing. I have heard this point argued and I have seen it brought forward starting with the conferences in 1945—this matter of cyclical financing. Of course, with cyclical financing you are going to meet your periods of ups and downs and therefore I would say I think it is a very great mistake for us to view with very great horror and terror the fact that there are periods of cyclical financing which show deficits, even large deficits.

In the government of the United States, this was very plain during all of the days of the Roosevelt administration. But I think that administration for some 12 years, living in highly uncertain times, both in depression and in war from 1932 up to 1945, I do not think had a surplus at all. That perhaps is a very extreme case.

On the other hand, to run into certain deficit financing, I would say, is going to be natural in the operation of this country.

Now, we cannot do certain things. For instance, take this government. If we restricted expenditures, it would put people out of work. So would such actions by any other government.

On the other hand, if this government reduced taxation, or the Ottawa government reduced taxation, then the same result applies. We are going to have deficit financing and we cannot avoid it. We cannot have our cake and eat it too, in these things.

If these things are viewed and are understood by people, the situation becomes an

understood fact and is not viewed from a standpoint of distortion or terror on something which I think is going to apply in the financing of this country.

If people are not prepared to meet deficit financing at certain times, then it is going to mean that certain things cannot be done. We cannot go out and spend more money in public works or we cannot make reductions in taxation unless we are able to face those facts. Now, sir, I want to, just in conclusion—

Mr. Thomas: Mr. Speaker, I just want to get it clear here. Is the hon. Prime Minister suggesting that Mr. Gordon was saying he is against deficit financing?

Hon. Mr. Frost: Well, I read his speech very carefully and that was what I gathered, that he felt that. However, if my hon. friends feel that I am "on all fours" with Mr. Gordon, then there is one point less of disagreement. But I took this interpretation from reading his speech, and I would be very glad, if my hon. friend from Oshawa does not have a copy, to give it to him. That is what I took Mr. Gordon to mean.

However, I want to leave that, in conclusion, and say that my feeling about this is as I expressed it the other day, and I apologize for the repetition to those who heard me say it then.

My first point is this: At all costs, we must set out to expand and develop our country. Now we cannot afford to do anything but be optimistic and confident of Canadian ability to do the job.

I would say to this House, sir, that is first and fundamental. Pessimistic people never get anywhere. We have to be optimistic. That is one of the great troubles of the Opposition, sir. They are affected with a deep pessimism that pervades everything.

For myself, sir, I am an expansionist.

My second point is this—

Interjections by some hon. members.

Hon. Mr. Frost: Do you see the pessimism, sir, that exudes itself over there?

First of all, what I am going to say is this, and I will put it on a more non-political basis. First of all, Canadians must have confidence in themselves to do the job.

Secondly, I say this: There is no justification for our exchange being at premium with that of the United States. I have said that on very many occasions and I will not elaborate.

Thirdly, I have disagreed with the floating

bank rates which have been Bank of Canada policy since 1955. The control of this rate led to control of other things, including exchange rates.

Fourthly, we talk too much about inflation in this country to the extent that we discourage and impede expansion at a time when the world, despite every risk, must expand if we are going to justify government of half a continent. The risks of inflation are far less than the risks involved in the failure to expand and develop.

Fifthly, and I say this for the benefit of those people who seem to fear foreign capital—this new country cannot pull itself up by its own financial bootstraps. We need never to fear foreign capital coming into this country as long as Canadians have faith in themselves and faith in their ability to govern this country.

Our simple objective must be to maintain Canadian independence. We are a proud people and a proud country, but we must at the same time be able to welcome foreign capital which helps us to develop decently and fairly; we must be able to inspire the confidence of foreign investors.

In getting out to expand this country, I think we should write that on the wall for people to see. That is the way we ought to go about things.

Sixthly, I think this young developmental country must have reasonably easy money and lower interest rates and I have complained about this bitterly since 1955.

Seventhly, we must have the concerted resolve and a national objective on the part of our people—business, labour and government—that we will work, that we will produce, that we will compete and expand and throw our goods on the markets of the world. Now that is the true answer to the decline which Mr. Gordon in his address dates back to the days of 1948-1952 and something which I think is of very, very great importance.

Eighthly, as a matter of fact we are part of the North American economy. With our small population and great land area and our manufacturing potential, we must live on foreign trade. The imposition of high tariffs and quotas are never, in themselves, the best solution; we must expose ourselves to competition. There are, of course, refinements under special circumstances.

I have heard the hon. leader of the Opposition go into some of the things which happen because of unfair trade practices elsewhere. I think, myself, that, with these things, we have to adjust ourselves and our tariffs and

our quotas to meet unfair competition wherever it may arise. But again, fundamentally, we must be able to go out and compete and sell our goods in the markets of the world. If we do not do that, then we invite retaliation and difficulties. Not only that, but we take from industry and our people competitiveness that otherwise applies.

So I think that those refinements must be very carefully exercised. I said the same thing at the time of presenting the brief to the Gordon commission. Essentially, we must be enterprising enough to achieve low unit costs. We must make more and more of our goods for export.

Concerning the North American economy, of which we are a part, it is not fair that we should run a \$1 billion yearly deficit in our commodity trade with the United States. I think our friends to the south understand this. As a matter of fact, they can go a long way in understanding the ways and problems of other people in this world, including the Canadians. We are their best customers. They should be ours.

One of the crying needs of this country is to build up trade with the United Kingdom and the trade blocs of Europe and South America. We must remember that we are faced with huge economies such as those of the United States and the Soviet Union and now with the trading blocs I have mentioned. They can use mass production and marketing techniques.

Our very obvious objective must be to expand trade with all countries. Present trade imbalances with the United States are not beyond the realm of Canadian ingenuity to close and to produce conditions which are more mutually advantageous.

There are just 3 more short points.

While control over international trade arrangements, import duties, valuations, exchange rates in the whole field of banking and credit is under our constitution invested in the federal government, nevertheless Ontario will, should, and must, co-operate fully in helping to create the common front that is necessary to meet the challenges and take up the advantages of the opportunities in this changing world. Now, that is somewhat the same purpose that the hon. leader of the Opposition proposes in his amendment.

I think that I propose something that is more objective than that. As one step in this direction, I propose to reconstruct our Department of Planning and Development into a new Department of Commerce and Development. As a result of this reorganization, more direct collaboration will be provided with

federal departments for the purpose of stimulating business, increasing production and extending trades.

Now that answers the question asked at the conclusion of last session by the hon. members opposite. As a matter of fact, we propose to put The Department of Planning and Development in its true and original place.

In addition, as part of the reorganization, a product research division will be set up to complement the department's present commercial and industrial development activity. This new division's function will be to stimulate production and employment in existing manufacturing industries of Ontario, and to increase the processing of raw materials in our province. New products will be set out and defined which can be manufactured by Ontario companies.

This work will be co-ordinated with that of the Ontario research foundation, which is being expanded in order that it may play a fuller role in the development of manufacturing in our province.

Now, I do not want to elaborate on what I say, other than this: The Ontario research foundation provides a way of co-ordinating the research work being carried on by our extending family of universities. I would say to the hon. members that we propose to bring into the research foundation a wider representation of both labour and industry in the matter of research which, in very many cases, need not be fundamental research but specific research. I think that we can very greatly extend the work of that foundation.

In attendance, the department itself has already had one gathering, one forum, in connection with the bringing together of labour and industry and commercial interest in this problem.

Now, The Department of Economics is also increasing its studies of the Ontario economy.

I am going to send to my hon. friend brochures, which apparently he has not read, concerning the work of The Department of Economics. I shall send them over for him to read and study. He will see that actually this department, which is unique in provincial governments in Canada, is doing very great work and will do very much greater work.

May I point out, sir, that in the matter of public works in Ontario, as I have already said, we have an immense programme now in progress. The programme that will come before this House will be very much larger

than the one on which we are presently engaged this fiscal year.

I conclude by saying—and I mention this very inadequately—because the hon. Minister of Education (Mr. Robarts) will be referring to it, that the development of our human resources is, I consider, of the most fundamental importance.

There is nothing more essential than the development of our people, if we are going to develop Canada. Education is not only our greatest objective, it is our most costly and challenging problem. Education is of vital necessity if we are not going to fall behind in the struggle for economic supremacy.

The lag in this area simply cannot happen. I would say to my hon. friends in this House that, as far as Ontario is concerned, taking education by and large, from the primary area through to higher education, no area in North America is ahead of us in that regard.

Mr. MacDonald: Oh nonsense! Utter nonsense! I will point out—

Hon. Mr. Frost: All right! I would say to my hon. friend, of course there are places that he can pick out here or there. But if he takes the great broad area from our primary education to university—and I say this to my good hon. friend from Eglinton (Mr. Dunlop)—there is no jurisdiction in America that can equal us, or has a record such as we have here. I want to reassert and emphasize that because it is a good thing to emphasize. We have established a lead in both Canada and America in this great area. Furthermore, we intend to forge ahead and to do much greater things as we progress in the years immediately ahead.

These, sir, are my very inadequate remarks at this time.

Mr. R. Gisborn (Wentworth East): They sure are!

Hon. Mr. Frost: I repeat that, in the tone of the programme laid before this House, in what we have said elsewhere and what we have said in our submissions to other governments, and to others, we feel, sir, that the development of our country, the employment of our citizens, and the raising of standards of living is the great, and must be the great, objective of our people.

I welcome the resolution proposed by the hon. member for York-Scarborough as giving the opportunity to discuss this very great subject at this time.

Mr. D. C. MacDonald (York South): Mr. Speaker, I think we have made at least this

degree of progress with regard to the problem of unemployment: Governments have reached the stage where they acknowledge its existence.

One of the problems we have faced—the main problem we have faced in the last 10 years—is that any time anybody rose to speak about the growing problem of unemployment, which the government now concedes emerged years ago when the Liberals were in power, the government would immediately start to dismiss such presentations as the outpourings of gloom-mongers and doom-mongers.

When the Liberals were in power they did the same with regard to Progressive-Conservative and CCF protests. The Progressive-Conservatives get into power, and, for 3 or 4 years, we have had warnings about growing unemployment dismissed by the Progressive-Conservatives in Ottawa as the outpourings of doom-mongers and gloom-mongers.

Mr. Speaker, I think we should at least acknowledge we have made progress. The problem exists and government acknowledges its existence.

However, sir, I wonder how much progress we have made beyond that point. I wonder—because we have a resolution this afternoon presented by the hon. member for York-Scarborough and he ended up with a grandiloquent flourish, a peroration, in which he said, “My purpose is to focus attention on the problem.”

He had no answer—he was just focusing attention! The hon. Prime Minister gets up and he refers a little bit later to “make people think, this is our challenge.”

I want to suggest, Mr. Speaker, that we have passed the stage where we want to focus attention on the problem. We have passed the stage where we want to make people think. What we need in this country is governments which will come up with programmes and do something about the problem. And this we have not had this afternoon.

We get exactly the same kind of proposition from the Liberals. I was interested, for example, in this rather sensitive approach emphasizing “the social aspects of the problem,” as the hon. leader of the Opposition said. It is interesting to hear the Liberals now talking about the social aspects of the problem.

I can remember a few years ago when, to pick one example, the unemployed workers, who have been turfed out of the farm

machinery industries in the province of Ontario, went to talk to that great Liberal, Rt. hon. C. D. Howe. What sort of social reaction did they get from him? "Go home—you will not likely get your jobs again in the same plant—look for them elsewhere."

What the Opposition have provided here, I suggest, Mr. Speaker, is a pathetically inadequate answer. It is a mish-mash of undigested statistics with regard to the unemployment problem. Its solution is to set up a few boards. We should step up the raking of leaves, in the conservation areas, for these unskilled workers who have nothing but brawn to contribute to the working force. This is about all they had to offer.

They are in exactly the same kind of position, fundamentally, that they were when they were in power. They have learned nothing and they have forgotten nothing since.

And as for the hon. Prime Minister, he, too, spends most of his time trying to soften the problem. He dare not now dismiss it as "gloom-mongering and doom-mongering," but he softens it.

For example, he talks about what is known in the economists' language as "the irreducible minimum" with which we can live and still describe ourselves as having full employment. It is now up to 4 per cent. This is news to me.

I do not profess to be an economist, but I have been doing some reading in economics for something like 25 years now, and 2.5 to 3 per cent was the figure, the irreducible minimum, that we could accept for unemployed people such as those moving from one job to another.

The hon. Prime Minister delightfully amends it and boosts it to 4 per cent, trying to argue that our 5 per cent in Ontario is not as bad as all that.

Furthermore, the hon. Prime Minister talks about our figure as being less than it is in many other provinces across the country.

What he did not tell this House is that the increase in unemployment in the province of Ontario this year—the percentage increase over the last year—has gone up more in the province of Ontario than in any other province of Canada, with one exception, namely, the province of British Columbia. So I do not think there is any need for trying to soften the importance and the proportions of the problem we face.

Mr. Speaker, I want to try to map out, to begin with, what I am attempting to do with this resolution, because we have, by general

admission this afternoon, relaxed the rules in the discussion of a specific resolution on the order paper, to have a broad discussion of the problem of unemployment.

I think we face the danger, Mr. Speaker, that we are going to be shooting in so many directions at once that we are not going to hit some of the bulls'-eyes that need to be hit today. So, what I am proposing to do is this: to deal with the resolution as it is on the order paper; the specific proposals with regard to trade and commerce, the plight of our secondary industries, and the result of world competition. And having dealt with that, then to propose a 5-point programme which I suggest will be somewhat more substantial than the rather anaemic one presented by the hon. leader of the Opposition.

Our amendment will deal with what this government can do now—in addition to the indefinite employment possibilities sketched in the Throne speech—to provide jobs for those out of work at the moment.

Now, Mr. Speaker, as for this resolution we have before us, I would just like to remind the House of the phase of unemployment that it has focused attention on. It reads as follows:

In view of the mounting world competition and its effect on industry, particularly secondary industry, with its incidence of unemployment, be it resolved that while trade and commerce are within the competence of the federal Parliament, every effort will be made in every section of the provincial economy—

and so on.

In other words, the resolution deals with just one small aspect of it. I should not say "small" aspect. It is an important aspect, but it is only one aspect of the whole unemployment problem.

I think the first thing we should recognize, Mr. Speaker, is this: That this resolution is by implication a frank acknowledgment of the failures of the Diefenbaker government in providing full employment. In effect, it suggests that the provincial government—and I think we should note this—that the provincial government should move into fields which have hitherto been primarily and constitutionally a federal responsibility. It is, in other words, Mr. Speaker, a provincial effort of unprecedented proportions to try to bail out the federal government which has not done the job.

If, Mr. Speaker, the federal government, in the fields of trade and commerce, is unwilling to implement the necessary policies to bolster

employment through our secondary industry, then provincial action would be commendable, if there is any realistic hope for its being effective. But may I suggest that, unfortunately, the constitutional limitations on provincial power seriously restrict the possibility of effective provincial action.

After all, is it not self-evident that if the federal government with its constitutional power has not been able to do an effective job, how can this government do an effective job when it does not have those constitutional powers?

Furthermore, Mr. Speaker, the proposal that the provincial government should move into these federal fields is inevitably going to result in a costly duplication of efforts and services, all of which is going to have to be paid out of the taxpayer's pocket.

Now it is a little difficult to believe why the people of Ontario—in fact it is ironical, that the people of Ontario should be asked to pay such a needlessly high price for a Tory government at Ottawa which has failed, and should be asked to pay that price by the Frost government which did so much to elect them. Now, what we are able to do, “within the four corners” of resolution, is to deal with this resolution on the assumption that the provincial government is now going to move in and do something on trade and commerce.

For example, the hon. Prime Minister says that we have to sell our goods in the markets of the world, we have to compete in the markets of the world.

Mr. Speaker, I think one of the first problems that we have to face up to is the contention that has been activated for years that we in Canada have priced ourselves out of the world market and that labour is to blame. This is the contention which has been advanced by both of the old parties at one time or another. It is the favourite song and dance of the chamber of commerce and the board of trade.

Yet, Mr. Speaker, what rather fascinates me is that a few weeks ago, a glimmer of sanity emerged on this issue, and it emerged from the most unexpected source. Speaking in Oshawa on October 17, the federal hon. Minister of Labour (Mr. Starr) is quoted in the *Toronto Globe and Mail* on October 18:

Labour Minister Michael Starr said tonight, “The failure of manufacturers to provide new jobs in the volume required, has created Canadian unemployment problems. Employment has not kept up because of improved production methods, automation, technical changes, and above all the

need to reduce costs in order to maintain competition.”

“Wages in selected industries over the past 10 years have remained almost stable, but other costs have increased. The whole field of increased expenses should be studied by manufacturers,” he said.

About two weeks later he was even more explicit and, as a matter of fact, he chose a good place to be explicit. He was talking to the Toronto board of trade, and here is the opening paragraph of a news account on that occasion:

Labour Minister Michael Starr said in Toronto last night that Canadian industry should examine its profits, its capital investment and efficiency, rather than blame labour costs for its inability to compete in foreign markets.

Now, Mr. Speaker, labour economists have been saying this for years and, as a matter of fact, not only labour economists—I can think of an old professor of mine at Queen's university who, in presenting his views to the Senate committee on inflation a year or so ago, made the statement that there is no conclusive evidence to suggest, as has been said so widely—particularly in business circles—that we had priced ourselves out of the market because of exorbitantly increased labour costs. Now we have the hon. Mr. Starr saying this because, apparently at this late stage, an investigation is being carried on in his own department in seeking the truth of the matter.

So far so good, Mr. Speaker, but we have had no evidence that these new views of hon. Mr. Starr are accepted by the government. We have had no evidence that there are going to be new policies based on this truthful assessment of what actually has created the high costs that have contributed to pricing ourselves out of the market.

However, Mr. Speaker, if this government is going to seriously tackle this problem, then the hon. Prime Minister must face up to something that this government, along with the boards of trade and the chambers of commerce have misrepresented to the public for years, namely—labour's limited responsibility for our costs.

In fact, only a week or so ago it was reported that the cost of living index had risen more in the previous month than any single month for quite some time. If working people in this country are going to live in this high-cost economy, they must have wages high enough to be able to buy the produce of this economy—food for their families, to pay

the rent, and everything else. In seeking a wage that is going to be in keeping with our cost of living, admittedly labour contributes to the high cost.

But what this government has never been willing to face up to, and I am wondering—under the guidance of a little bit of light from the federal hon. Minister of Labour or his department—is whether they are going to face up to the real factors contributing to the rising costs that are pricing us out of the market.

The first factor is that in this North American economy today prices are not fixed by the mythical laws of supply and demand. Prices on the North American continent today are what are known in economists' terms as administered prices. The advisers of President Eisenhower a year or so ago estimated that 60 per cent of the prices of basic commodities in the United States were administered prices. This simply means that management sits down and fixes a price in accordance with the profit levels that they want, and then works back from that chosen profit level, as to the price that they are going to charge the people. If there is a glut on the market so that their product is not selling; if their workers are out on the streets, this is of no concern to them. As a matter of fact, if they think they are not going to have adequate profit levels, they raise the price for the limited sales to maintain their profit level.

Now, Mr. Speaker, I have referred to administered prices and their contribution to our high level of cost in this nation, and the problem of pricing ourselves out of the market.

The second contributing factor is the profit level. Here we have governments for years—including the government at Ottawa—which went out a couple of years ago and pleaded with the working force of this nation to hold the line, but it would do nothing with companies and their refusal to hold the line on profits. It would do nothing by way of sitting down and persuading management that it must hold the line on administered prices.

I have still seen no evidence to suggest that the government at Ottawa even now is going to do it.

However, this is their responsibility. We have ours here in the Ontario Legislature. Now that the Ontario government is moving into this field, and is trying to boost trade to assist our languishing secondary industries, the question I want to put to our new Department of Commerce and Development is: What it is going to do? Instead of pinning

up all the responsibility and sacrifice on labour, what is it going to do in tackling the problem of administered prices and high profits to help in bringing our price levels down?

Now the second point I want to draw attention to, Mr. Speaker, is this: Many of our secondary industries are not exporting because they are forbidden to export. Many of our secondary industries in this country are wholly foreign-owned subsidiaries, mostly of American corporations. They are forbidden to export because the export field has been pre-empted for the parent company in the United States.

In this booklet that was produced by The Department of Planning and Development last summer, I was very interested to read the figure that, in the last decade, the number of wholly foreign-owned subsidiaries in Canada has gone up from 3,400 to 7,000.

Now what is this government going to do? Let us forget about Ottawa. They have done nothing for so long under Liberals and Tories that there is no reason to believe they are going to tackle this problem now. What is this government going to do about this issue—7,000 industries, many of them in the province of Ontario, which are forbidden to export?

Mr. Singer: How many?

Mr. MacDonald: As a matter of fact the hon. member raises a good point with which I had meant to deal, and that is that nobody knows exactly how many of them are forbidden. I have done my best to find out, but some certainly are, as hon. members can learn from that bible of the business world *The Financial Post* which has emphasized this as one of the main problems.

However I raise the problem for this government which is now going into this field: what is it going to do to free these subsidiaries, a major proportion, a significant proportion of which are forbidden to export—

Mr. Whicher: What would the hon. member do with this problem?

Mr. MacDonald: We got no answers from the hon. member, so he had better sit there and listen.

Mr. Singer: The hon. member for York South is not providing any.

Mr. MacDonald: The third problem for this government, now that it is moving into this federal field, is a related one—that is the question of United States domination of Canadian industry. The hon. member for

York-Scarborough discussed this. As a matter of fact, he gave us figures which are even worse than the ones I have. It shows he is even more pessimistic than I am, Mr. Speaker.

I thought that 43 per cent of Canadian manufacturing, 52 per cent of mining and smelting and 71 per cent of the natural gas and oil industry was American owned and controlled. But at least his final figure was higher. He had it up to 76 per cent. But 60 per cent of the dividends from Canadian corporations today are going to foreigners—60 per cent of the dividends from Canadian corporations!

Now, Mr. Speaker, I am not one who believes that foreign capital is any less considerate of our national welfare than is Canadian capital, because what we have to face up to is that private capital is international. It knows no boundaries. It goes where the profits are highest. So I do not think—and on this I agree with the hon. Prime Minister to some considerable extent—there is any point in drawing a line between foreign and Canadian capital in this respect.

However, Mr. Speaker, I think we are dangerously close to the point where we will cease to be economic masters in our own house. If such a significant proportion of our economy is controlled outside of the country, the decision, for example, as to whether or not there is going to be 2,000 or 3,000 people laid off in Sudbury at International Nickel Company is not going to be made in Sudbury, it is going to be made in New York.

As a matter of fact, about two years ago when I happened to be in Sudbury, I read a news story in the *Sudbury Star*, datelined New York, stating that a couple of thousand people were going to be laid off.

So much for the problem. What about the solution?

The interesting thing is that the Diefenbaker government rode to power on a programme of anti-Americanism. They have done nothing. As a matter of fact the situation has gone from bad to worse. As for the Liberals, there are a lot of eloquent voices in the Liberal ranks on this issue—men like Walter Gordon, for example.

However, the thing that interests me about Walter Gordon's pronouncements on this issue, apart from their eloquence, is that Walter Gordon has not made one single proposal in the last year that was not included in the Royal commission report 4 years ago. And that Royal commission report was submitted to a Liberal government still in power in Ottawa. What did they do about it? Nothing!

Furthermore, Walter Gordon went down to that so-called thinkers' conference, the first one held in the party in 47 years, down in Kingston a few months ago, and the significant thing is that—if we got an accurate assessment of what went on in that conference by some of the TV interviews afterwards—he was a voice crying in the wilderness on this issue. There were many reports indicating that the tendency among the Liberal thinkers was: let us not get too excited about United States domination of the Canadian economy.

Mr. Speaker, I do not think that either of the old parties is likely to tackle this fundamental problem—important though it is. They are not likely to tackle it because they are not free to tackle it. They are controlled and dominated and financed by big business which is itself so much American orientated so that they are not, therefore, going to tackle it. People who are going to solve this problem are going to be the people rising from the grass roots of the mass economic organization through the New Party in this country.

However, Mr. Speaker, if the provincial government is now going to move into this field and the hon. member for York-Scarborough acknowledges the existence of this problem, I am interested to hear what this government is proposing to do about it.

Now, the hon. Prime Minister made another comment. He looks as though he is getting a little weary.

An hon. member: We are weary of the hon. member for York South, that is all!

Mr. MacDonald: The hon. Prime Minister said that we have to be enterprising enough to achieve low unit costs. Well, here is another problem which I would invite the new Department of Commerce and Development to look at.

Much of the Canadian industry is fated to have high unit costs—for this reason. If industry has a limited market, as the Canadian market is, and if some of them are forbidden from selling in the export market, so that they have to live within the limited market in Canada, it is not economically feasible to introduce all the technological changes that the modern world offers today.

In other words, automation is economically feasible only as long as you have long runs and some big markets which will pay for the automation and absorb its products. If you do not have long runs and you do not have big markets, you are not going to automate your plant.

As a matter of fact, I was very interested a few months ago to read an article in *The Financial Post* with regard to the Canadian automobile industry in which they referred to the automation of it as being a great white elephant—\$50 million invested for what? If they operated at full production, they could produce all the cars we need in Canada in perhaps 4 or 5 months of the year—so all automation has done is produce all that is needed in 4 or 5 months instead of in 7 or 8 months, creating even more difficulties for the working force, and not being able to make the kind of contribution necessary to the lowering of the per unit cost.

Mr. Speaker, I present this as a problem upon which I would like to have the hon. Minister of Commerce and Development (Mr. Nickle)—since this is now his daily work—give us some enlightenment. I think it is a problem we have to face up to.

Now here is another problem, Mr. Speaker. I have been interested for years in reading a publication that has come out from the old Department of Planning and Development on fabrication gaps in Canada. In other words, they point to this astounding fact: that of the imports we buy, from the United States, over 70 per cent are fully manu-

factured. What the hon. Minister's department has been saying for quite some years is that surely some of these things can be manufactured in Canada.

There are fabrication gaps in our economy. The interesting thing, about which the hon. Minister must be profoundly disturbed, is that in 1955, the percentage of our imports from the United States that were fully manufactured was 76. In 1956, it was 76. In 1957 it was 77. In 1958, it was 77, and in 1959, it was 78. It is getting worse each year.

So I am not surprised that the government is now going to establish what will be called a products research division. This is a very interesting development. Private enterprise has not been enterprising enough to get out and find out what they can manufacture in Canada, so this Tory government is resorting to a socialist solution. They are going to spend the people's money to do the research to find what products can be manufactured in Canada, and hand the results over to private enterprise to make a profit on.

Interjections by hon. members.

It being 6 of the clock, p.m., the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, November 28, 1960
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 28, 1960

8 O'CLOCK P.M.

The House resumed.

ON RESOLUTION RE UNEMPLOYMENT (Continued)

Mr. D. C. MacDonald (York South): Prior to the 6 o'clock adjournment, I had dealt with some 5 problems which I suggest now might preoccupy our new Department of Commerce and Development. There are 2 further problems which I would like to touch on before I go on to the substance of my suggestions as to how we might grapple with the problem of unemployment.

The sixth problem is one that relates to secondary industries which are now being driven to the wall by imports from so-called low labour cost countries, particularly Japan.

Now what, Mr. Speaker, can be done by a province in this connection, I must confess baffles me. The control of it rests primarily in the short run with tariffs or with quotas and these are wholly within the constitutional jurisdiction of the federal government.

However, in this connection, if there is nothing that the province can do, it might usefully contemplate an aspect of this problem that I think has received far too little publicity. That is, in the province of Ontario, we have had some of these industries—for example, the electrical industry—constantly complaining about what is happening to its production and the layoffs in its working force because of imports from Japan at a cost with which we are not in a position to compete at all.

And yet, if one examines what has happened in Japan and other low-cost countries, we will find in many instances the factories which are producing these goods in Japan are either subsidiaries of the same parent corporation in the United States or else they are companies which have working arrangements and agreements with the same parent company in the United States—the company which owns the subsidiary in Canada—

An hon. member: Name it.

Mr. MacDonald: So what we are faced with, Mr. Speaker, is a form of economic

fratricide. In other words, the parent company has established a subsidiary in the low-cost country so that they can exploit the low labour costs in that country, and they are shipping goods in which are, in effect, driving another of their subsidiaries to the wall.

An hon. member: Name the company.

Mr. MacDonald: This kind of thing, as a matter of fact, is happening in some instances with companies which have been established in Europe and they are competing today with companies back here.

The final problem, I think, relates not to any single aspect of trade, but the whole of our overall trade policies. For example, when the Diefenbaker government rode to power in 1957-1958, it did so on the promise to the Canadian people that it would switch some 15 per cent of our trade with the United States to the United Kingdom.

Now, we are all painfully aware of the fact that, far from a switch taking place in the interval, the bad situation which they deplored has become worse. Canadian trade with the United States, or imports from the United States, have gone up until today we have a trade imbalance with the United States, which as the hon. member for York-Scarborough (Mr. Sutton) pointed out, is going to reach an all-time high of close to \$1.5 billion.

All of this has relation to United States domination of Canadian economy with our failure to fill some of the fabrication gaps and so on.

However, it seems to me that in the other area, the United Kingdom and Europe, as the hon. Prime Minister (Mr. Frost) indicated this afternoon, there should be the greatest hope for an expansion of trade, because this is a natural trading area for Canada. At least it has been a natural trading area in the past. And our trade levels at the present time are far below what they have been on past occasions.

Now, what disturbs me, Mr. Speaker—and I am wondering, now that this government is moving in to occupy this field with the federal government, whether they might exert some influence on federal government

policy—is that the stand that is being taken by the federal government, as enunciated by the federal hon. Minister of Finance (Mr. Fleming) at the recent Commonwealth economic council, may well lead to less trade rather than more.

What hon. Mr. Fleming did was to visit Great Britain at a time when Great Britain is faced with an historic crisis. Some years ago, when the 6 European countries, now known as the European common market, banded together, Great Britain decided not to join the European common market. There is no doubt in the wide world that the reason she did not join was because of her associations and her obligations with the Commonwealth countries.

Now, this is all very fine except that we have now reached a situation in which there is good reason to believe that events are going to drive Great Britain into a closer economic association with Europe.

In the last few years, the economy of Western Europe has boomed. In the past year, each of the 6 European common market countries has found its trade increasing by a minimum of 20 per cent and a maximum of 57 per cent in the instance of Italy. During that same year, Great Britain's trade has declined 23 per cent. This is what I meant a moment ago when I said that she is faced with an historic crisis, because we all know that Great Britain, that tight little island, has to trade if it is going to survive.

Yet, faced with this kind of situation with all of its inevitability of Britain having to move into closer association with Europe, what was the stand of hon. Donald Fleming?

It was an adamant stand that Great Britain must not do this. Such action by Britain would cause some economic dislocations, some trade dislocations back in Canada. This is obviously true. But if it is inevitable, if for economic survival Britain must move into closer association, would it not have been a more far-sighted policy, a far more sensible policy, to have recognized the inevitable, to have joined forces with Great Britain in attempting to establish, not only for Britain, but for Canada, some closer economic association with Europe so that we could get a bigger foot in the door of this 200 million consumer market that is today booming?

But that is precisely what hon. Donald Fleming did not do. His thinking is apparently still that of Bennett based on a concept of the Commonwealth back in the 1930s. He is about 30 years out of date. The idea of an exclusive trade alliance may well have been—and even this is a little doubtful—

necessary in the 1930s. But the prospect of that kind of exclusive trade alliance surviving in the modern world of the 1960s, I suggest to you, is getting less and less.

Surely the answer is that Canada should take the initiative with Great Britain in attempting to establish closer economic relationships with Europe so that we can get an expanding market in Europe, too, and we may be moving towards the establishment of what ultimately will be the solution of Canada's problems: An increasingly freer trade area in the whole of the North Atlantic community.

However, hon. Mr. Fleming did not do this. He did not do it presumably because he wants to retain the Commonwealth and protect it.

I suggest that the stand that he took is ultimately going to undermine the Commonwealth, because the genius that permitted the British Empire to develop into a Commonwealth arose from the fact that it was able to adapt itself to the changing conditions in the changing world. Faced with the kind of development that they have in Europe, I suggest once again, that it has to change.

But what hon. Mr. Fleming did was to assume an inflexible stand more in keeping with the Bennett concept of the 1930s rather than the necessities of the 1960s. I suggest this is something that this government conceivably, if it has some weight in the councils at Ottawa, might raise.

Those are problems, Mr. Speaker, that the provincial government is presumably now going to share with the federal government. But in moving into this field of trade and commerce in the fashion envisaged by the resolution moved by the hon. member for York-Scarborough, I come to the conclusion, in the light of what I have just spelled out in some detail, that the province is likely to achieve little, and that little only at the expense of costly duplication of federal effort and service.

That brings me to the basic criticism of this resolution, if it is a resolution designed to meet our unemployment problem. I suggest, Mr. Speaker, that this resolution is not focused at the heart of the unemployment problem at all. It is focused out on the periphery of the problem.

The basic reason for unemployment arises from the failure of the federal government to plan development of the Canadian economy so as to maintain a sufficiently high rate of economic growth.

Now, this word planning always provokes some neat display of verbal footwork. For

example, when Rt. hon. Mr. Diefenbaker was faced with a delegation from the Catholic syndicate in the province of Quebec 2 or 3 weeks ago who urged upon him the idea of establishing some kind of an economic planning agency, which, I suggest, is vitally necessary—not a research agency, but a planning agency—Rt. hon. Mr. Diefenbaker dismissed this as being socialism. Again this afternoon we had the hon. leader of the Opposition (Mr. Wintermeyer) saying that we must have some planning and the government must take a lead; on the other hand, we must not have a planned economy. Now, Mr. Speaker, I suggest to you—

Mr. J. J. Wintermeyer (Leader of the Opposition): It is not what I said, Mr. Speaker, it certainly is not. On a matter of personal privilege, that is not what I said. I want the records corrected accordingly. I asked for an economic research bureau as one feature; I asked for an advisory planning committee as a second—

Mr. MacDonald: After asking that, what he said was that we want some planning, but we do not want a planned economy. That is plain, simple double-talk.

I was interested a few weeks ago when a page 7 story in the *Toronto Globe and Mail*—by Phillip Deane, it was—recounted the views of Mr. Lamontaigne with regard to what was necessary for the economy of this country. The story ended up with a paragraph, which I thought was a brilliant summary. It said, obviously, what Mr. Lamontaigne meant was all the benefit of planning without any planning, and this is precisely what the hon. leader of the Opposition was seeking through all his verbal footwork.

As a result, Mr. Speaker, of the Tory failure to plan and the Liberal failure to plan when unemployment arises, whatever be the source of that unemployment, Mr. Speaker—and it might be from automation, with a worker displaced and forced to find another job altogether; it may be from farmers who are displaced because of technological changes on the farm front; it may be because of depressed industries or depressed areas, or whatever reason—what has happened is that these displaced workers are not able to find another job; they are added to the growing hard core of unemployment in this country.

Furthermore, Mr. Speaker—and I hope this is not going to raise the blood pressure of my hon. colleagues to the right, I use the term broadly—there is a myth in this connection which cannot survive the examination of the fact. Here I agree with the hon. Prime Minister, for the moment. The problem of

chronic unemployment is not the creation of the Tories alone. Its foundations were laid when the Liberals were in power.

And just let me document that—

An hon. member: Document that when you—

An hon. member: Mr. Tim Buck—

Mr. Speaker: The members on both sides of the House will have plenty of opportunity to present their views, and it is much better when the views are presented one at a time.

Mr. MacDonald: The problem, Mr. Speaker, is that they had an opportunity to present their views, but they had none to present.

Mr. Wintermeyer: Well, we did not hear anything new this afternoon from the hon. member for York South.

Mr. MacDonald: Well, Mr. Speaker, I want, for the edification of these Tories in Liberal clothing, to remind them of a few basic facts which, as the hon. leader of the Opposition says, are drawn from the federal bureau of statistics. For example, back in 1953, Canada's economic growth was only 3.8 per cent. In 1954, it was 2.9 per cent, both of them insufficient to maintain full employment. And that is the reason—

An hon. member: Bring it up to date.

Mr. MacDonald: —why we have a recession. I am coming up to date. I want to suggest, Mr. Speaker, that this is where the basis of our chronic unemployment began, under the Liberals. Now, what they constantly remind us of is that because of a period of high investment in 1955 and 1956, Canada's economic growth jumped to 8.6 per cent. But what they ignore, and what is proof of the fact that the foundations for our chronic unemployment were laid in those years, is that even when the growth of the economy went up to 8.6 per cent in 1955 and 1956, the number of unemployed was still in excess of 4 per cent in 1955.

Mr. R. M. Whicher (Bruce): What is the hon. member going to do about it?

Mr. MacDonald: Just listen, I will come to what I am going to do about it. When they did have this high level of investment, which had restored the Canadian economy, what did they do? They choked it off with their disastrous tight-money policy, creating a situation which, under the Tories, has gone from bad to worse.

An hon. member: Even the hon. Prime Minister agrees.

Mr. MacDonald: Now, we will get back to the Tories, and perhaps the Liberals will be happy and listen.

An hon. member: When are you going to get to the New Party?

Mr. MacDonald: We got to the New Party in Peterborough and we will spread Peterborough across this nation, too. The fact is that during the past 4 years Canadian economic growth has slowed to a halt.

In 1956 the gross national product did not increase. It dropped .3 per cent. In 1958, it rose by .8 per cent. In 1959 it picked up by something like 3.5 per cent, and this year's preliminary figures indicate that it will rise very little if any. As a matter of fact, the figures for the third quarter indicate that the gross national product was dropping.

The significant point here, Mr. Speaker, is this: If the inflationary factor in our price levels is removed, the real per capita gross national product is actually smaller today than it was in 1956. This is what the hon. Prime Minister was talking about this afternoon and we did not seem to be able to communicate.

My interjection was this: surely, the reason why the real per capita gross national product in Canada dropped over the last 4 years is that we have had something like 200,000; 300,000; 400,000; or 500,000 people not working. And if you have that body of workers in the Canadian working force not contributing, obviously, the real per capita product is going to drop.

In fact, last year, the yearly average for the 12-month period ending in September was actually 417,000 people out of work—as a monthly average for the 12-month period ending in September.

An hon. member: Does that average—

Mr. MacDonald: That is not the question. The question is that if you have 417,000 people not producing because they are out on the street, and not working, obviously your real per capita gross national product is going to drop.

Mr. Speaker, this is the kind of fact that I suggest makes a mockery of the Pollyanna statements which this government made, for example, in its industrial development review. Because it talks of the prosperity of the 1950s on the basis of which the prosperity of the

1960s is almost inevitable, it is just going to be projection.

What it is ignoring is that from 1953 on this problem of chronic unemployment emerged. And even during the two years in which our rate of growth did jump to an adequate level, our levels of unemployment persisted. In other words, unemployment has been chronic right since 1953.

May I suggest, Mr. Speaker, that full employment is going to be restored in Canada only with overall economic planning by the federal government providing a framework within which each province and municipal government can play its part.

The great difficulty is that this government has come up with its programme within that framework. But there is no framework, because the Tories at Ottawa refuse to do the kind of planning which is necessary. This planning must seek to achieve not only an expansion of the private sector of the economy, but supplement it with a massive expansion of the public sector of the economy to meet our great backlog of public need—such as homes, hospitals, schools, parks, roads, urban region developments and conservation projects, and the rest.

But all of this, Mr. Speaker, is relatively long term. At best it is going to provide jobs for next winter and beyond. There may be some additional jobs because of the expansion in the departments, but all of it is relatively long term. What is urgently needed now is a short-term programme to provide jobs this winter. This is what the government evades almost completely, not only in the Throne speech but in this resolution.

For that reason, I propose, at the conclusion of my remarks, to move a 5-point amendment, which I suggest constitutes the kind of emergency programme which this government can tackle immediately, and with which it can make a contribution one way or another, to meeting the unemployment situation at the moment.

The first point has to do with our winter works programme. Mr. Speaker, I think we must be realistic about this winter works programme. The fact is that, in the last couple of winters, it has been pathetically inadequate. It provided 10,000 jobs, many of them of a short-term nature—10,000 jobs across the whole of the province of Ontario.

When the new winter works programme was announced back in September, the *Toronto Daily Star* of September 8 which I hold in my hand quotes the hon. Prime Minister as saying that about 40,000 jobs in

Ontario will be provided by the federal-provincial winter works programme.

The hon. Prime Minister was really dreaming that day. Nothing has happened in the intervening 3 months to suggest that the number of jobs to be created in the winter works programme will reach anywhere near a 40,000 figure. Because it started earlier, it may get beyond the 10,000 figure, but the 40,000 figure is sheer dreaming.

I suggest the winter works programme is ineffective for this reason: It is leaving too much of the financial burden upon the municipalities. The arrangement is that the federal government will meet 50 per cent and the provincial government 25 per cent of the labour costs alone.

This means leaving the remaining 25 per cent of labour costs and all the material costs to the municipality. Most municipalities simply are not in a position to meet 25 per cent of the labour costs plus all of the material costs. Therefore a pathetically inadequate number of projects were planned last winter and are going to be planned this winter.

Mr. Speaker, the only answer to this is that if the federal and the provincial governments are serious, they should be willing to underwrite 75 per cent of not only the labour costs but of the material costs of the winter works programme.

In this way, the people that the hon. leader of the Opposition was disturbed about, because they do not have a job tomorrow morning, can be given a job tomorrow morning or next week, at least some time soon.

The criticism may be made that this opens the door to municipalities dreaming up projects with exorbitant material costs in them. We all know that these projects have to be approved so there is available through this approval the necessary safeguard against any project with exorbitant material costs in it.

But if we want the overburdened and debt-ridden municipalities to really build up winter works programmes that are going to provide the amount of employment required this winter, we are not going to get it unless we are willing to share more of the costs.

The second point I want to mention, Mr. Speaker, is that if we want to reduce unemployment, I suggest it is time for this government to reduce the legal work week in the province of Ontario from the present 48-hour week to a 40-hour week.

The proposal of 40 hours a week is not radical. It is one that even the civil service

has had implemented or is in the process of implementing. The net result of this move would, in a broader way across the province, be to spread the employment, instead of overworking some people, when others are walking the street looking for jobs.

The third point I propose, Mr. Speaker, is that supplementary estimates should be brought into the House this fall, to launch a low-cost housing programme immediately.

The speech from the Throne talks rather vaguely about a new approach to low-cost housing. Talking about a new approach now means that, at best, the government is going to provide some jobs in November, 1961, for next winter.

We want some jobs now, so that the effect of it can not only be in the housing and construction industry, but in all the related industries. This can be done by bringing in supplementary estimates immediately so that we tackle this with the degree of certainty the seriousness of the problem merits.

My fourth point is that if we want to start the wheels of industry going again—and this is something the hon. leader of the Opposition, I thought, was touching on—is to put purchasing power into the hands of the people whose needs are so immediate, that they will spend it immediately, that we will build consumer purchasing power in this nation and this province.

I suggest that this can be done by the federal government, with the urgings of their fellow Progressive-Conservatives in this House, to increase unemployment benefits so that these people will not have to live on something like \$30 a week. We should also increase the general welfare benefits because these are the kind of benefits that go into the hands of people who are going to spend it immediately. They are not going to put it in a sock and hide it under the bed, or something like that, for a long time. It will flow out immediately into the economic life-stream of the country.

As a result, instead of having clogged markets, it will remove products from markets and put factories back into full instead of partial production. At the same time, it will bring some of the unemployed off the streets. This is the kind of thing that would have relatively immediate effect and the government can make its contribution to it.

I have just touched briefly, Mr. Speaker, on these 4 points. Other hon. members in the CCF group will expand them if, and when, they ever get a chance to participate in this debate. But there is one final point, and, by coincidence, it was the final one made by

the hon. Prime Minister upon which I want to lay chief emphasis. This situation provides Ontario with an historic opportunity under schedule M of The National Vocational Training Act, which makes federal funds available to the extent of 75 per cent of capital costs, on retraining to expand in a major way our trade and technical training facilities in this province.

At the moment, Mr. Speaker, the unemployed lines in the province of Ontario are swollen by two groups:

They are swollen by older workers, who have been tossed out of industry for one reason or another, and who need an upgrading of skills or retraining before they can once again find a position in the working force.

Secondly, we have—as the hon. leader of the Opposition pointed out—tens of thousands of young people who have gone out into the labour market without the necessary skills to be able to secure and hold employment.

These people can be trained under schedule M of The National Vocational Training Act under an arrangement in which the federal government is willing to meet 75 per cent of the cost.

In other words, if the province of Ontario is willing to share the spending of \$1 along with the municipality, the federal government is committed to match it with \$3.

The thing that has always puzzled me about schedule M and the possibilities for retraining in trades and technical education, Mr. Speaker, is that this has been in existence now for quite some years—I think it is 16 or 18 years—and the province of Ontario has actually availed itself of it very little.

Moreover, our present apprenticeship training programme does not meet the widespread needs for technical and trades training, because it has two major disabilities.

Our apprenticeship training programme has age limits in it, and they are low age limits. The older worker therefore, in effect, is barred from the kind of retraining on the apprenticeship scheme.

Secondly, you must have a job before you can be apprenticed in one of the designated trades. But a job is precisely what the unskilled younger worker does not have. So, it becomes foolish to say that he must have a job before he can be trained.

We have to break this vicious circle and provide the opportunity for training that will fit the worker, whether he is young or old, for modern employment.

Canada has done a relatively poor job in

developing its human resources. The hon. Prime Minister suggested this. Then, a little later, he made a statement about the province of Ontario having the finest educational institutions anywhere in the world.

Mr. Speaker, may I borrow a phrase from the late Sidney Smith, when he wrote a foreword for the youth commission studies at the end of the war? Mr. Smith referred to the fact that we have done a very good job in educating our professionals and he concluded by saying that we have botched the education of the great mass of the workers. That was in 1945.

We have escaped the consequences of our failure to develop our human resources, because we have been importing the skills from Europe and elsewhere, and we are still doing so. But, with the higher skills required by modern employment, our past failures are now finally catching up with us.

I read a rather significant figure in the paper, the other day, indicating that unemployment today, among unskilled workers, runs at about 15 per cent; some 3 times what it is in the general working force.

Now there is no mystery, Mr. Speaker, as to the reason for this.

I have here, for example, a document put out by the vocational training advisory council dated December 3 and 4 of last year, 1959.

In the back of this document they provide us with some interesting figures. They point out, for example, that in secondary school enrolment in Canada—this is for the benefit of the hon. Prime Minister who thinks our educational system is the finest in the world—that in the secondary school enrolment in Canada, 82.5 per cent are enrolled in academic courses, 9 per cent in commercial courses, only 4.3 per cent in technical courses, and only 2.1 per cent in trade courses.

The interesting thing is, if we compare these figures with others on the next page, we find that the professional occupations in Canada represent only 8 per cent of our working force.

In other words, 8 per cent of our working force, along with the skilled occupations representing 17 per cent, a total of 25, are drawn from this 82 per cent in our secondary schools. The white-collar occupations are 29 per cent, the semi-skilled and unskilled occupations are 31 per cent; all the other occupations are 15 per cent.

In other words, we have an educational system which has traditionally failed to provide the kind of trade and technical training

for the person whose particular aptitudes do not lead him into an academic course.

Mr. W. B. Lewis (York-Humber): Why?

Mr. MacDonald: What does the hon. member mean, why?

Mr. Lewis: Why? Where is education falling down on technical training? We cannot force them into it.

Mr. MacDonald: I will come to that. The result is a failure of long standing to develop our human capital. Recent studies have indicated how vitally important human capital is for economic growth.

Here, Mr. Speaker, for those who are interested in economics—and I presume the whole House is, in a debate of this kind—is something new that we might well consider: The conventional view has always been that physical capital goods have been primarily responsible for increases in labour productivity. In other words, a greater investment in machines will increase productivity.

But there are some interesting figures coming out now to indicate that this is not the case. For example, in the United States, where studies have taken place, it has been shown that the average increase in the physical output there from 1919 to 1957 was 3.1 per cent per year while the total input of man hours of intangible capital during the same period was only 1 per cent each year. This leaves us with 2.1 per cent or two-thirds of the total actual increase to be explained in terms of intangible capital, or improvements in efficiency other than that due to machines.

Let me quote, for example, from testimony in the hearings of the joint economic committee of the American Congress:

Professor Theodore Schultz, of the University of Chicago, has been testing a hypothesis that the explanation for the remaining two-thirds is to be found largely in the rapid accumulation of human wealth represented by training, education and additional capabilities based on health and knowledge.

Further, his preliminary studies lead him to the strong belief that the return on human capital exceeds by a wide margin the returns realized on the stock of non-human capital.

In other words, Mr. Speaker, the investment in human education and well-being has very important economic values as well as human welfare values.

This brings me back to the point to which the hon. member for York-Humber was drawing attention. It brings me back to the yawning gap in Canada's educational system.

For those hon. members who may be interested in it, I would like to draw their attention to the fact that some 4 years ago, before the estimates of The Department of Education, I spent all of my introductory remarks, to be found in the *Hansard* of March 14, 1956, in pointing to the gaps of our system of education in the provision of trades training.

I reminded this House, for example, that away back in the year 1908, Dr. John Seath, the then superintendent of education, was sent by the government to examine the trades training facilities in Great Britain and in Europe. He came back and he made a report in the year 1910 which was put on the statute books of the province of Ontario in 1911. This was to establish, in the province of Ontario, legislation for a range of trades training within our public school system.

What has happened in the intervening 49 years? Well, for the benefit of my friend, the hon. member for York-Humber, what has happened is that we have one provincial trades institution on Nassau Street. We have technical courses in our schools which are too closely tied in with the academic courses, with the result that many of the students taking them are plowed under in the academic courses and do not get an opportunity to complete the trades training.

Mr. Lewis: The hon. member knows as well as I do that the unions have taken over the training. Do not try to tell the House that.

Mr. MacDonald: My good hon. friend from York-Humber is blaming it all on the unions.

Mr. Lewis: I am not blaming them. I am stating a fact.

Mr. MacDonald: The unions have something to do with a few of the designated trades, and The Department of Labour decides what should be done only in the apprenticeship training courses.

Mr. Lewis: Will the union accept gentlemen from trade schools? No. The hon. member for York South knows it and I know it.

Mr. MacDonald: Just listen. When The Department of Labour proposes what should be done, The Department of Education, in effect, acts as the supplier for this need. The

hon. Minister of Education (Mr. Roberts) nods his head in the affirmative.

But here is the situation. This covers only a limited number of designated trades. For example, in the province of Ontario we have never gotten around, in the provincial institute of trades, to providing a trades training for radio and TV technicians.

Next to motor car mechanics, Mr. Speaker, as I look around the world I am now living in, I could not conceive of anything that is more likely to attract youngsters and give them a trades training. Yet we do not have this. We have no trades training for chefs, for meat cutting, for a whole range of things.

Mr. Lewis: Would the unions not object to this?

Mr. MacDonald: They will not object at all.

Mr. Lewis: Oh yes, they will.

Mr. MacDonald: As a matter of fact, for the benefit of the hon. member, I spent last Friday afternoon visiting the provincial institute of trades, so I have an up-to-date picture of what I am talking about at the moment.

Hon. G. C. Wardrope (Minister of Reform Institutions): How about my institutions?

Mr. MacDonald: I am about to come to the hon. Minister's institutions. It is remarkable how, when the hon. Minister approaches this question logically and rationally, he will find he is stealing the next paragraph out of my prepared text, because the next paragraph is this:

In recent years, we have added to our advanced training technical facilities by building institutes in Ottawa, Hamilton and Windsor in addition to Ryerson and the Lakehead technical institute.

But the point I am making, Mr. Speaker—and I ask the hon. Minister of Reform Institutions to consider it because I think action in the field is going to help his over-all job—is that we have not yet tackled the job of building the wide range of training facilities which will provide the necessary skills for modern employment for the great mass of our workers—not at the advanced technical level, but down at the trades training level.

The federal government has offered 75 per cent in their recent Throne speech for the capital cost through 1963 in addition to 75 per cent of the actual operation of any re-training courses. So my hope would be that

this government would move immediately, not only to meet the urgent need for training for employment now, but for building trades training facilities in this province in order to fill a major and long-standing gap in our educational system.

In this way, we shall be solving something of the future unemployment problem before it develops. Furthermore we will also be solving some of the present unemployment problems, Mr. Speaker, by taking these unskilled people out of the unemployment ranks and providing them with the skills so that they can be returned to the working force later and be able to apply themselves effectively.

In order that the government might move on this kind of an immediate programme for jobs this winter—not long-term planning, but jobs this winter—I want to move, seconded by Mr. K. Bryden, that the proposed amendment to the resolution be further amended by striking out all the words after, "the following words," and substituting the following:

AND THAT this House, while recognizing that the unemployment problem can be permanently solved only through long-term economic planning by the federal government in co-operation with industry, agriculture, labour and provincial and municipal governments, is nevertheless of the opinion that the government of Ontario can make an important contribution to the solution of the current unemployment crisis through an emergency programme of action and to that end urges the government to give consideration to:

(1) Providing in co-operation with the federal government 75 per cent of material as well as labour costs incurred in approved winter works projects;

(2) Increasing allowances to the unemployed and other welfare payments, and urging the federal government to increase unemployment insurance payments, so as to expand consumer purchasing power;

(3) Laying immediate plans for large-scale expansion of public housing projects, with particular emphasis on the provision of low-rental housing;

(4) Taking full advantage of the provisions of schedule M of The National Vocational Training Act under which the federal government will contribute 75 per cent of the operating and capital costs involved in providing trades and technical training;

(5) Introducing legislation immediately to reduce the legal maximum work week from 48 hours to 40 hours.

Hon. L. P. Cecile (Minister of Public Welfare): Mr. Speaker, the development of welfare services during the past decade has been a remarkable accomplishment. I would like to make a few remarks to show the position that this province is in at the present moment in respect to what is being brought up here today.

While there is no true substitute for employment, it is reassuring to know that a wide variety of welfare programmes can, and do, cushion any letdown in economic conditions.

It is apparent that during the course of this fiscal year, almost \$76 million will be expended on the basis of provincial legislation to serve needy persons, whether they meet with adversity through unemployment, disablement, ill health or other circumstances of need. And I know that all hon. members of the Legislature have subscribed to the adoption of progressive welfare measures which are shared in part by the federal government and municipalities.

It is evident that Ontario is meeting the lion's share of the cost of the welfare services administered under provincial legislation with the contribution of some \$40 million from provincial taxing sources, or 53 per cent of the total expenditure. The federal government provides 27 per cent, and the municipalities 15 per cent; and other sources about 5 per cent.

But more than this, the province provides unconditional grants which are totalling about \$26.7 million to underwrite the municipal share of the cost of welfare services at the local level.

I think at this time it would be well to outline some of the built-in stabilizers for both the economy as a whole and in relation to individuals and their basic needs. Provincially, mothers' allowances are available as a total charge on the province at an annual cost exceeding \$12 million. General welfare assistance, formerly known as direct relief, is shared by the 3 levels of government at an anticipated gross cost of \$24.1 million for the current fiscal year.

I should just add that the numbers receiving assistance through local municipalities in September, 1960, amounted to some 68,635 persons. One year ago, the total number was 75,735, with the result that about 16,900 individuals have been added to the assistance rolls in the course of the past year.

In passing, I might also say that I am pleased indeed that the federal government agreed with Ontario's proposal to remove the insidious .45 per cent restriction which originally accompanied the introduction of

the agreement to be made under The Unemployment Assistance Act of Canada.

As a result of the present unemployment assistance agreement, we are sharing in the cost of assistance to employable persons who have either exhausted their unemployment insurance benefits or who were not previously insured, together with the assistance granted to unemployable and borderline employable cases.

More than this, Mr. Speaker, we are extending assistance to native Indian bands living on reserves and we now provide funds for the care of persons in proprietary nursing homes. Also, of course, supplementary aid is available to persons who require assistance beyond the amount granted under the special welfare programme, such as old age security, old age assistance, blind and disabled persons' allowances. Included also are provisions for sharing in the maintenance of all persons in homes for the aged and charitable institutions.

Other basic welfare programmes involve gross expenditures in the following amounts: Old age assistance, \$13,535,000; blind persons' allowances, \$1,150,000; disabled persons' allowances, \$8.5 million; mothers' allowances, \$13 million; rehabilitation services, \$300,000; child welfare services, \$15 million; day nurseries, \$510,000; homemakers and nurses' services, \$1 million. All these programmes as well as the others mentioned provide a very effective cushion for persons in economic distress.

Hon. members will also know that we have embarked on a very large capital construction programme to make modern homes for the aged available for all who need this special type care. This year, in addition to operating and maintenance grants, we will spend almost \$7 million towards the construction of homes for the aged. But the gross sum spent during the past decade, I would say, would come to a total of about \$50 million for new construction.

Also, we have made substantial payments to children's aid societies in the form of capital grants as well as to the charitable organizations operating children's institutions. We have also maintained extensive medical services on behalf of public welfare recipients. In fact, \$2,246,000 is being directed alone for medical services to persons receiving assistance under the various special welfare programmes.

An additional amount in excess of \$1 million is being paid—80 per cent—by the province for the medical care of persons receiving general welfare assistance through the municipalities.

Beyond all these varied programmes administered by Ontario, large amounts of money are directed to persons through federal channels. The war veterans' allowance programme is a case in point.

While the sum of \$216 million is being paid in the form of old age security and \$163 million for family allowances, I would, of course, remind the House that the unemployment insurance fund makes a decided contribution toward the alleviation of distress caused by unemployment, in the current yearly amount of \$175 million. The various monies being spent in Ontario for public welfare and related services total well in excess of \$500 million.

Now I suggested earlier that employment is the keynote to progress and, while the numbers of unemployed have increased, I am informed also that more people are employed in Ontario today than at any time in our history. According to the estimates of the federal bureau of statistics on September 17, Canada as a whole—including Ontario—had 5.1 per cent of the labour force unemployed, but in Ontario the unemployment rate was recorded as being 4.6 per cent.

We are all vitally concerned in seeing the province develop at the same pace as during the last number of years, and I am certain that this hesitation in the economy will be overcome. We have taken certain intermediate steps to cope with unemployment by means of the huge capital programme being carried out by the province, at present, at an estimated cost of some \$225 million. In addition we will find the winter works programme will create many thousands of jobs, thus providing wages and adding to the further development of the province.

I would agree that this is the time to look forward rather than turn to comparisons with previous years. I do emphasize, however, the many, many stabilizing factors which are effective today to serve persons who, in previous years, would have encountered very grave problems, indeed, in maintaining themselves and their families. I would also emphasize that the public monies which must be found to support this varied and broad programme in the millions of dollars of services to our people undoubtedly places a most heavy burden on the treasury of the province. But, at the same time we are now, as always, firmly committed to lend every assistance possible within our means, to encourage employment and any measures which will lessen unemployment.

I cited these figures, Mr. Speaker, to

advise you of the fact that in Ontario it might be very interesting to the people generally—as I am sure it is to the hon. members of this House—to know there are public monies available from federal, provincial, and municipal sources, in the amount in excess of \$500 million for public welfare and related services to our people. I am quite sure with this discussion, and with everything else that is being brought about as we see the problem, the people of Ontario need have no excessive fears.

Mr. A. E. Thompson (Dovercourt): I would like to ask the hon. Minister of Public Welfare a question. I recalled, while the hon. Minister described the programme in connection with welfare, that he had stated in the last session that he was going to bring in an amendment to The General Welfare Assistance Act. I have wondered if he has removed these two clauses with respect to that Act: Firstly, that a recipient who applied for welfare assistance had to have 12 rooms in his house in order to get the maximum \$50 rent and, secondly, he also had to have a family which did not exceed 6 children. Have these been changed?

Hon. Mr. Cecile: Mr. Speaker, I know my hon. friend refers to the regulations we spoke about that were to be changed last session. Well, these have just been recently brought in, and there are many changes which have taken place. Also, there have been some additions. In case I might be in error I would much prefer if my hon. friend would table the question so that I can give a proper answer.

Mr. Thompson: The amendments were going to be changed two years ago. I asked last year if they were being changed—the hon. Minister said they were just in the process. Are they, as I understand, still in the process?

Hon. Mr. Cecile: No, they are not in the process any more. They have been changed.

Mr. J. Trotter (Parkdale): Mr. Speaker, I rise to take part in this debate.

Having listened to the hon. speakers on the other side of the House, I am of the opinion that this whole debate is an opportunity, an attempt by the government, to avoid and evade its responsibility for the unemployed in this province. The whole wording of this resolution, the whole tenor of the remarks of the government, are to try to throw the blame elsewhere. They do not want to find the federal government too responsible because of their Tory pals whom

the present hon. Prime Minister of this province had so much to do with seating in Ottawa, which I am sure even he regrets.

Mr. MacDonald: He sure does.

Mr. Trotter: The problem of unemployment is facing us here in this province, and it is the responsibility of this government to—

Mr. MacDonald: What is the hon. member's side doing now?

Mr. Trotter: —solve the problem of unemployment. All these long-range plans are well and good. It is true that we must have them. But it is not helping the 109,000 unemployed in this province at the present time.

I am glad to hear the hon. member for York-Scarborough say it was an urgent problem. But I certainly wish he would tell our federal Prime Minister. Rt. hon. Mr. Diefenbaker has said: "There is no economic emergency in Canada; there are difficulties."

Well, there certainly are difficulties, and to a large extent these difficulties—this very serious problem which could be a major disaster—are largely the making of the Tory administration of the last 3 years.

Often when we have a depression or unemployment in this country and in this province, we say, "Well, we follow what happens in the United States." If there is a drop in the gross national product in the United States, the same thing will happen here. But when the gross national product dropped in the second quarter, it dropped first in Canada. Now there is a possibility that the same will happen in the United States. If the depression in this country started here, we certainly cannot throw the blame on the United States.

The blame, Mr. Speaker, is here. It is a result of a lack of leadership, a lack of vigour, both in Ottawa and here in this province.

Some hon. members: Hear, hear.

Mr. Trotter: The shadow of Avro hangs heavy on this House this evening. And that is just a symbol of the manner in which this government has handled industry here in this province.

To start talking about planning now is appallingly late after 14,000 people have been thrown out of work in the Malton area. It is all well and good to blame it on the federal government, but certainly it is a most serious problem for this province.

The hon. Prime Minister of this province talks much about his Department of Economics, but certainly they have done very little in the way of planning or trying to find out what is wrong.

There are so many investigations, so many plans afoot these days. The Senate is investigating unemployment; the federal hon. Minister of Labour (Mr. Starr) has a sub-committee of the federal government investigating unemployment; and I understand there are 4 or 5 hon. Ministers of this government who are supposed to be investigating unemployment as a group.

Interjections by hon. members.

Mr. Trotter: I would suggest that the hon. Prime Minister of this province get in his oversized limousine and drive down Spadina Avenue, and he will find there is a mighty lot of unemployment here in this city.

Hon. L. M. Frost (Prime Minister): Would it be all right if I went down in my Chev?

Mr. Trotter: I would be glad to drive the hon. Prime Minister myself if it would wake him up to the problem that is facing this province. There is in this country, Mr. Speaker, 45 per cent more unemployment this October than there was last. I am certainly glad to see that even though this government tries to throw the blame some place else, we are given an opportunity to say something and try to bring it to the attention of the people of this province.

Now, the hon. member who introduced this resolution did a lot of talking about foreign borrowing and he blamed the banks for many of the problems. I suggest he should go and tell the federal hon. Minister of Finance and Rt. hon. Mr. Diefenbaker. They are the individuals who have the power in this country and I suggest that they do something about it; not sit around here and try to blame the banks.

If he wanted to talk about the mortgage rate, Mr. Speaker, if he wanted to give us a positive suggestion, the province could use its credit power to give second mortgages on all the people's homes. In other words, put some money into the economy and give the economy a shot in the arm. But we do not hear any positive suggestion of that kind from the Tory administration which we have here.

Now, the hon. member for York-Scarborough asked many questions and he did not give us any answers, except one, with which I was rather concerned. Most of us, certainly all of us on the Liberal side, want to see

retraining done. But the hon. member for York-Scarborough seemed to be talking about taking young people off into the forest for 3 years and it sounded too much like Mr. R. B. Bennett's Tory work camp, and I hope that was not the type of retraining they wanted to have.

In dealing with the hon. member for York-Scarborough's address, Mr. Speaker, he said what we need is imagination, enterprise and hard work. We certainly do. But we are not getting it from that side of the House. The government of this province is showing no imagination and no enterprise, and is certainly doing no hard work.

He said also we should focus attention on unemployment, but I would gather that the hon. member's leader, the hon. Prime Minister, wants to get the problem a long way out, for he said we should look at it from a long-range point of view. The Tory long range however, seems to be a long, long way off, and what we are interested in is getting work for our people who are unemployed in this province now.

The hon. Prime Minister talks of the colour of uniforms back in 1914 and I think that is his attitude, that is what is in his mind in approaching these problems that face us in the year 1960. He blames the slide or so-called depression, saying it started back in 1952.

Mr. Speaker, I would like to recall these figures to you, that from 1950 to 1956 our industrial production rose 20 per cent, and our investment increase was up 24 per cent over that period of time. But from 1956 to 1959, instead of going up 20 per cent the industrial production increased only 7 per cent, and the same thing happened with investment capital, only it has been worse in the last 3 years. From 1956 to 1959, there was a decrease.

Some people say the Liberals, when they are in power, are just lucky; they do not seem to hit the depressions. But I suggest to you, Mr. Speaker, that it is time the people in this province and in this country got lucky again and put in a Liberal government.

One of the most feeble efforts that this government has put forward in recent times is the so-called winter works programme. They can have no conception of the difficulty of unemployment when they come through with such a measly attempt at solving a problem that is becoming increasingly dangerous. Unless we do something quickly, it can have a cumulative effect.

We have heard in this House tonight about the programme they had last year, with the 9,000 they supplied work for, between 9,000

and 10,000 people. I understand the provincial government last year through the winter works programme gave \$3 million.

This year, I believe it plans to make it \$5 million so that we can expect they are going to be able to put to work about 12,000 people. If at the present time we have 109,000 unemployed, which is increasing all the time, we can see that this government has little or no intention whatsoever of trying to solve the real hardships that our people are facing in this province.

Now, Mr. Speaker, the hon. Prime Minister and his cohorts over on the government side want to talk about foreign trade. They want to get away from the problems that are in the province, they want to talk about something they cannot touch or cannot solve.

For one thing the hon. Prime Minister talked about trade with the United Kingdom. Well, he should have talked to Rt. hon. Mr. Diefenbaker some time ago when at Mont Tremblant the British government came and offered free trade to this country in various stages. But instead of even discussing the offer, hon. Mr. Fleming and Rt. hon. Mr. Diefenbaker would just not touch it.

And I may recall, Mr. Speaker, since the hon. Prime Minister was speaking on that subject, that the *Financial Post*, certainly no Liberal journal and I daresay a good staunch pillar of the Tory party, had to say on government action at the time they threw out the British offer that they were "not doing their homework."

I suggest to this House that this government is not doing its homework. It is not coming up and trying to meet responsibilities as it should.

The hon. Prime Minister says he will give us a brochure from The Department of Economics. I suggest if they let another contract to print another book, they do some work. The people want to see results in dollars and cents and not just a brochure.

Now, Mr. Speaker, just one word or two about the hon. Minister of Public Welfare. He should have a real interest in this problem which is supposed to be the area The Department of Public Welfare looks after—helping those in need. Of course, it is far more economical to have people doing work that is useful, instead of being charges on The Department of Public Welfare. But I do agree, Mr. Speaker, with the hon. Minister of Public Welfare when he says the government is putting money into the hands of those who need it. It helps prime the pump. As hon. members know, the Liberal federal government did much to

give this country prosperity by use of the family allowances scheme, and if it had not been for the social measures of the Liberal administration from 1935 to 1957, this nation would be in a disastrous situation. I say this because so many social measures were put through by that federal government there is a "good cushion," as the hon. Minister of Public Welfare said.

If the hon. Minister of Public Welfare will recall the estimates during the last sitting of this House, old age assistance pension payments were down \$429,000; blind persons' allowance payments were down \$12,000; disabled persons' allowances were down \$324,000. The capital disbursements of this department were down \$800,000. It certainly is no indication that this administration is making any effort to prime the pump or to put money into the hands of people who will spend it and, as a result, help the business as a whole.

Now my understanding, Mr. Speaker, is that the spending of The Department of Highways this year is down \$25 million. Certainly the government cannot be intending to create more employment. This situation has been with them for some time.

And again, Mr. Speaker, I point out there was over \$65 million voted by this House to be spent by this administration on public works, which money was never spent but was used to show those phoney surpluses over the last few years.

Now, Mr. Speaker, a few words regarding this party that has had the good sense to vote itself out of existence.

When I heard the hon. member for York South ranting away about the Americans, he sounded more Tory than Rt. hon. Mr. Diefenbaker, and on Mr. Diefenbaker's pet subject, and I wondered if he had gone Tory. First of all they had a manifesto in Regina which they threw out in Winnipeg a few years ago. Then, recently, they threw out the party altogether; manifestoes and all.

I was rather interested in hearing their amendment to this resolution, Mr. Speaker; they had 5 items, and 4 of these had in essence, not so very long ago, been given in a speech on the Canadian Broadcasting Corporation network by the hon. member for Dovercourt. I was wondering if they were desperate for ideas and were copying what the hon. member had to say.

Then, Mr. Speaker, I should, through you, draw to the attention of hon. members of this House other instances of the poverty of ideas of this former CCF party member.

The hon. member for York South read a quotation. It said:

If it is men that count, then our first concern must be with arrangements for conserving and developing personal talents, —and so on.

We have read that book too, and I am glad to see that he is reading from a good Liberal book. From my notes, it is by John Kenneth Galbraith and is called the *Liberal Hour*. I am glad to see that those hon. members are improving their minds by reading this.

In case they do not know who Mr. Galbraith is, he is the advisor to the President-elect of the United States (Mr. Kennedy) and certainly is no socialist. I am glad to see that the hon. gentlemen to my left are reading this good literature.

There is one more point in which the hon. member for York South was casting aspersions on Liberal trade policies. I found it on one page here when he was talking about the Atlantic free trade scheme. The Liberals, of course, have been in favour of this for some time, but I read from one of our older pamphlets, 1958, which said that a Liberal government would give an immediate, sympathetic and detailed consideration to the British proposal. That is the one hon. Mr. Fleming and Rt. hon. Mr. Diefenbaker would not bother considering. I quote:

To the British proposal for the gradual establishment of a free trade area between the United Kingdom and Canada, we have taken into account both the new opportunities that might be open for Canadian industry and the importance of maintaining existing industries and living standards in Canada.

I rather suspect, therefore, that the hon. member for York South has not only been reading the *Liberal Hour*, but he has been reading the new statements of Liberal policy as well as listening to the hon. member for Dovercourt.

I would suggest, Mr. Speaker, that what is needed in this province, and what this government should do and must do if it is going to solve the problems of unemployment as they are before us today—and I do not mean years in the future—is that we must help these people as they live today, and as they should be able to work today. They have the right to work. The vast majority of these people who are unemployed want to work, and they need to work.

I have come upon some pretty unhappy and depressing situations, Mr. Speaker. One of the most depressing is when people who

have been working for The Department of Public Works phone up and say they have been laid off. They have been laid off by The Department of Public Works in this province, in the last few days, and at a time, Mr. Speaker, when the government should be doing something, should be expanding and trying to develop public works.

Instead, we get word of the layoffs.

This shows that, in this province, there is a lack of leadership, a lack of drive, a lack of policy. It has been demonstrated here again this evening by the very fact that the government has nothing to offer. It wants to talk about trade. It wants to talk about the banking system, something which it cannot touch, and something over which it has no control at all, unless the hon. Prime Minister can persuade Rt. hon. Mr. Diefenbaker that something should be done.

For example, think of what this province could do in retraining people who are unemployed. Here is a situation that would be of immediate help to many hundreds of people in this province. But here is the record of this government:

According to the report of a director of Canadian vocational training for the fiscal year ending March 31, 1959, Ontario offered only 13,496 days of training to people who are unemployed, because of lack of skills.

This is slightly more than 5 per cent of the days given in all of Canada under schedule M during 1958-1959. British Columbia provided 64,384 days, Alberta a little over 47,000 days, Manitoba over 51,000 days of training.

In view of the size of our population and the needs of the unemployed, it would appear that a large expansion of the training programme should be undertaken on schedule M.

Despite the remarks of the hon. member for York South, I would like to draw to the attention of this House through you, Mr. Speaker, that schedule M is legislation put through by a federal Liberal administration. In these trying times, any legislation we have to turn to has been passed by a Liberal administration.

So I suggest, Mr. Speaker, that it would be a good thing for this province and for this country, if we had here a Liberal administration. Not until that time will we be able to solve our unemployment problem; then this province and this country will once again be able to go forward, a prosperous, a great country, and a land of opportunity where it will be a mecca for hundreds of thousands of

people in Europe, instead of a situation we have today in which they are kept out because there is supposed to be, and there is, unemployment in this province.

What we need is vigorous leadership, and what we need is men who have the energy and vigour to carry on. And, Mr. Speaker, we are not going to find it in the present administration of this government.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, you will recall that back in 1958 this government started the original winter works programme. Admittedly, as a result, not too many persons were hired. But, as time went on, the federal government picked up the idea because it thought it was good, and, as a result many more thousands of persons have been hired.

No matter what anyone may say, the figures are here. First of all, I will give the figures for last year. Last year, the figures show that there were approximately 10,000 persons hired under that programme, 187 municipalities and 669 applications. This year to date—and this is now up to November 25, 1960—already we have had 197 municipalities apply. There have been 970 applications as compared with 438. This will provide work for 13,165 persons, and as I say, it is only up to November. This means 723,000 work days, and our cost to date is about \$2.9 million, which shows the increase over last year.

For the comparable 6-week period of last year's scheme, the figures are: 124 municipalities, 438 applications and employment for 6,582 men.

The point I wish to make is that already the applications are flowing in to a much greater extent than they did last year. It is quite apparent that this winter works programme is paying off despite what is said by the hon. members on the opposite side.

We will go into this year. We will go into North York at the time the hon. member for York Centre (Mr. Singer) was reeve and give all the details.

Now, I shall outline the rest of this winter works programme, and indicate that it is not yet tied into certain municipalities, although this is most important to them. I want to give some details about the camp ground—picnic area programme. In order that our winter works programme may also be as broad and as successful as possible, the province, in co-operation with the federal government, is again planning a large camp ground—picnic area construction programme.

The government has been mindful of the

increased popularity of outdoor activity in this province during the summer months, and is making every effort to provide for recreational facilities across the entire length and breadth of this province. Hon. members will realize that during the winter period a great deal of groundwork and preparation for these camp grounds and picnic areas could be undertaken, and that the work is of a nature that would require a high content of labour, particularly unskilled labour.

In all cases the government directs its operations into those areas where the labour content of the work undertaken is greater, and whenever possible, where unemployment is heaviest. The programme this year covers the period from November 1, 1960 to April 20, 1961. To illustrate the extent of this programme, not just one but 3 departments of the government will be engaged in camp ground and picnic site construction.

On the problem of highways, I have been asked to draw to the attention of hon. members that there will be a schedule of picnic site construction in 18 districts throughout the province. The extent of this programme is illustrated by the fact that projects will be undertaken in the London, Stratford, Owen Sound, Toronto, Port Hope, Kingston, Ottawa, Bancroft, Huntsville, North Bay, Cochrane, Sault Ste. Marie, Fort William and Kenora areas, amongst others.

The work will include landscaping, tree planting, clearing and grading for parking space, the construction of access roads, fireplaces and picnic tables, as well as filling and developing certain areas where necessary. The total cost of these projects is expected to amount to about \$131,000. Projects in 12 of the 18 districts have already been started.

The Ontario-St. Lawrence development commission, administered by The Department of Planning and Development, has undertaken a plan to construct a total of 15 parks along the St. Lawrence river, stretching from Kingston to the Quebec border. Projects this year will be undertaken at Adolphustown, Ivy League park, Brown's Bay camping area, Riverside park, Chrysler Beach, Chrysler park, Mirrison and Nairn islands, Farran park, the Long Sault parkway, Woodlands park, Woodland park picnic area, Mille Roches park, Charlottenburgh park and Glengarry park.

The work will include the removal of old and broken trees and the planting of new ones, grading and the construction of lavatory buildings, sewage and water facilities. These projects are expected to cost \$329,000.

The Department of Lands and Forests is

planning work on 62 different parks throughout the entire province this year. These range from Aylmer, Cochrane, Fort Frances, Geraldton, Gogama, Hespeler, Kapuskasing, Kemptville, Kenora, Lindsay, Maple, North Bay, Parry Sound, Pembroke and Port Arthur, pretty well across the province.

In total, these projects are expected to cost about \$1 million through the winter period. It is estimated that 1,900 men will be put to work each month as a result. Since the work will cover a period of 6 months, a considerable amount of employment will be generated.

There are special winter works programmes under other public works. The government each year has made it a custom to continue on public works programmes throughout the province during the winter months, at extra cost, in an effort to keep jobs open whenever possible.

The Department of Highways intends to continue work on contracts during the winter months, valued at more than \$1 million. These include the London, Port Hope, Ottawa, North Bay, New Liskeard, Fort William, Kenora, Chatham, Hamilton, Owen Sound, Kingston, Huntsville, Sault Ste. Marie and Fort William districts. The work will also include the construction of several bridges.

A great deal of the cost of these projects will be for labour. At the present time it is estimated that The Department of Highways' winter works programme, including the picnic site programme, will this year employ an additional 18,000 men throughout the period. The programme of The Department of Public Works is going to be enlarged upon by my hon. friend, the Minister of Public Works (Mr. Connell), but I am told it will come to about \$99 million and it is estimated that more than 5,000 persons will be employed on these projects.

The government is also engaged in a programme of roads to resources construction in conjunction with the federal government. Over a period of 7 years, \$15 million will be spent on these. They will provide valuable access to mineral-rich resources in the northern section of the province. One of the conditions of this scheme is to do as much work as possible in the winter time, particularly that of clearing and levelling. This provides work for a great number of men. Work to be carried out this year is expected to cost about \$1.5 million.

So far as the water resources commission is concerned, they have several very large projects in hand. As a matter of fact, to date—and they have only been in operation for 4

years—they have over 132 contracts, representing a total expenditure of capital money of over \$52 million.

Mr. V. M. Singer (York Centre): And who put up the money? The municipal taxpayers.

Hon. Mr. Warrender: I have certain statistics prepared for the 1960 season, to show what it will mean in various ways so far as their activities are concerned. I am told by the officials over there that 682 families will have their wage earners provided with 4.75 months of work through the water resources winter works project.

Each of these wage earners will receive an average of \$1,632 as winter relief employment wages. Over \$9 million of capital works are involved. To date the winter works programme is nearly double that of last year, and the subsidy paid to each municipality—that is, through both federal and provincial assistance—represents an average saving of 2 mills in taxes per community for 1960, which I admit is no mean accomplishment.

To conclude, sir, and to indicate that we have not just been talking about long-range programmes, but short-term programmes which will give immediate assistance, it is all laid out right here for those who wish to see.

Recently, as everyone knows, the federal government announced a programme to assist the municipalities so far as sewage works are concerned. I have not yet seen the bill, but I was able to get a typewritten copy of excerpts from the bill. A sum of \$100 million is to be placed from the consolidated revenue fund with the Central Mortgage and Housing Corporation. The Governor-General in council permits this corporation to loan to municipalities two-thirds of the cost of the sewerage project for a term not exceeding the useful life of the project—

An hon. member: Oh, what on earth—

Hon. Mr. Warrender: It is a funny thing to me, Mr. Speaker, hon. members of the Opposition say: "What are you going to do to help these poor unfortunate people?" But as soon as we indicate what we are going to do, certainly with the people's money, they say: "Who is going to put up the money?"

Mr. Singer: Who has to pay it back? The municipal taxpayers.

Hon. Mr. Warrender: Why do not those hon. members go back to school?

Interjections by hon. members.

Hon. Mr. Warrender: Mr. Speaker, if I may continue. Mr. Speaker, I have come to the conclusion that these hon. members do not really want to hear the facts—

Hon. Mr. Frost: They do not know and they do not care.

Hon. Mr. Warrender: I have never heard so much propaganda as I have heard tonight from the other side of the House. It is obvious the hon. members opposite only wanted this debate to bring out all their stuff about the poor, unfortunate people.

Interjections by hon. members.

Hon. Mr. Warrender: We brought out the facts. Listen to the propaganda!

Mr. Speaker: Order. Order. I would ask the members to give others full consideration when they are making speeches and I believe that all members will have an opportunity of making their own speeches.

Hon. Mr. Warrender: As I was saying, Mr. Speaker, a considerable sum of money is going to be made available to help the municipalities with their sewerage projects. It could be \$100 million. Provision is made for that amount if there is a demand there from the municipalities; but the initiative rests with the municipalities.

Just as we have had instances up to this time of a great demand by the municipalities to have help not only with their sewerage but with their water problems, I am convinced that this programme will also help the municipalities. Furthermore, there is a factor here which should be a great incentive to the municipality because provision is made for the Central Mortgage and Housing Corporation to forgive a municipality paying 25 per cent of its loan if the work is completed before March 31, 1963. The corporation will also forgive 25 per cent of the interest that has accrued in respect of the loan up to the date of completion.

I do not understand all the implications contained in this bill because it has not been fully explained as yet. But I talked to the federal hon. Minister of Public Works (Mr. Walker), and I hope to see him in a day or so to find out exactly what regulations are going to be passed to support this particular legislation. But it is my hope that with the co-operation of the municipalities—and we have had every co-operation from them to date—and with the assistance of the water resources commission which is geared up to handle a tremendous amount of this kind of

work, it should all be very helpful to our economy.

Mr. Whicher: Mr. Speaker, the hon. Minister has suggested that we could ask questions in order to derive information at the end of his talk. I speak with concern about some of my constituents who had applied for the winter works programme and some who are trying now for it.

As I understand it, before they can be accepted for the winter works programme, they have to come under public welfare. This means that they have to sell their home, turn in their car, no matter if it is a 1935 car, and then their name is put on the list in order to get on the winter works programme.

The second point that I am concerned about is that I have listened to the talk about the winter works programme of last year. Am I correct in thinking that the average number of days that this provided work for men was 40 days out of the whole winter?

Hon. Mr. Warrender: Worked out as an average per man, Mr. Speaker, I cannot give that information. I will find out for the hon. member and let him know. But as far as the first part of the question is concerned, it is my understanding that to register one has to go through the national unemployment agency service office. It is then decided whether a man has qualified to take part in the winter works programme. I understand they do have to be unemployed in the strict sense of the word; they must have no other source of employment and must not be receiving unemployment insurance.

Mr. Whicher: Mr. Speaker, I would like to ask the hon. Minister a further question. In my riding there are a great number of municipalities that are not organized. These people do not come under the winter works programme. What is to be done about those people?

Hon. Mr. Warrender: That is why I read out so many of these other projects which are being spread across the province including picnic areas, roads, and so on. These will help those people who are not within an organized municipality.

Mr. L. Troy (Nipissing): Mr. Speaker, may I ask the hon. Minister what was the total amount of money spent by his government for the winter works programme during the winter of 1959?

Hon. Mr. Warrender: The answer is \$1,171,373.96.

Mr. M. Belanger (Windsor-Sandwich): What was the amount we voted on for that?

Hon. Mr. Warrender: It was \$3 million gross, which meant \$1,333,333 net, for the municipal portion of the scheme.

Mr. Belanger: So we spent half of the \$3 million—roughly?

Hon. Mr. Warrender: That is one way to put it. Another way to put it is that the initiative, as I said, is left to the municipalities. If they had come in with requests for \$500 million worth, we would have been prepared to give them the money. No matter what the amount is this year—I think it is \$7 million gross—we have it in the estimates; it is available.

So far it appears we are committed for \$2.9 million from Ontario funds. If it happens that the demands from the municipalities are such that they run over, the money will be made available.

We have to put some amount in the estimates in order to know where we are going, and that is the amount provided. It is entirely up to the municipalities and we have given them every opportunity. The programme has been advanced in time, and it has been expanded. We have done everything we can to encourage them.

Mr. Belanger: In regard to these people who live in these unorganized municipalities, the hon. Minister referred to the picnic areas that are going to be developed. Will there be camps set up for these people? Otherwise they will have difficulty in getting to them.

Hon. Mr. Warrender: Where they have to go out some distance from their source of employment?

Mr. Belanger: Yes.

Hon. Mr. Warrender: Yes, facilities are made for camping and for feeding the persons.

An hon. member: Are school boards allowed to participate in the winter works programme?

Hon. Mr. Warrender: Mr. Speaker, the application is made through the municipality. No provision has been made in the winter works programme for the construction of either schools or hospitals. We queried that a year or so ago and the answer we were given was that already a great deal of money

is being given to the municipalities for this particular purpose and, therefore, they are excepted from the programme.

I might say though, to enlarge on that point to the hon. member, that the programme this year has been extended considerably to cover the cost of municipal structures. That could include band shells, skating rinks, athletic structures around athletic fields, and so on.

Mr. Belanger: The request must be made by the municipality and not by the school board?

Hon. Mr. Warrender: That is right.

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, I would like to make a few comments. I want to speak with respect to an industry in this province which has never suffered from unemployment. I refer to farming. On the contrary, farmers as a group can never find enough hours in the day to do all the work that they have to do. It was not my intention to enter into this debate on unemployment. But since it does tie in with the increasing markets for farm commodities, I thought I should make a few observations at this time.

Unemployment has been, to some extent, created, I presume, by the evolution which has taken place in agriculture in the past 20 years, due in chief to mechanization and the fact that we have 38,000 fewer farmers in the province of Ontario than we had some 20 years ago. We have a great many so-called farmers in this province who, perhaps, are affecting the labour market inasmuch as they are working part time as farmers and part time in other types of employment.

However, what we farmers have experienced for a number of years, and what we have thought might happen in our economy, is apparently taking place at the present time. We have found ourselves, as farmers, in the cost-price squeeze. The price of everything the farmer had to buy, somehow got just a bit too high, and as a result the net income of the farmer has suffered in the past few years. I hope that in any policy or programme which is adopted, nothing will be done to increase the value of the Canadian dollar by implementing any further restrictions or tariffs which would raise the cost of farming in this province and in Canada.

We should be encouraging trade rather than putting restrictions upon it by any raising of tariffs or any other means which will raise the cost of what people have to buy in this country. In my opinion as a

farmer, prices are high enough now and we would be in a much better position in world markets were we able to trade more freely with a lower-priced dollar than we presently have in Canada.

I might say that the best market that we in Ontario and Canada ever had, as far as a long-range market is concerned, has been that which we enjoyed in Great Britain. With war-time production, when it was necessary to see how much we could produce here in Canada in order to feed the people of Great Britain, and following the war, with restrictions on European trading with dollar countries, we developed in this country a generation which knew nothing about the balance of trade, or of trying to develop trade in Great Britain and the European market.

Following the organization of The Department of Agriculture with whose help we found how to grow two blades of grass where but one grew before, we discovered that we had neglected to give proper consideration to the marketing of farm products. This was the main purpose in the reorganization of the department earlier this year when it was divided into a department of production and a department of marketing.

It is our intention to make further studies in connection with research in agricultural products. I think there is a great field in agriculture for research and development in farm products, particularly to discover further uses for them.

In addition to that, it is our intention to encourage wider sale of farm products in outside markets. It is not our desire or intention to interfere in any way with the federal departments concerned with and responsible for trade and commerce in agricultural products and the export of Canadian goods. Whatever efforts we put forth will be supplemental to those carried out by the federal government.

It is our feeling that there is need for a study to be made of the potential in the British market, particularly in view of the increased purchasing power which the people in Great Britain have at the present time. Such a study is also warranted by the fact that a generation has grown up in this province and in this country which has very little idea of the tastes and requirements of the consuming public overseas.

It was my privilege to head up an agricultural export market study group comprised of representatives of commodity groups as well as processors representing the products which we have available for export.

As far as the export of food products is concerned, outside of wheat and one or two other agricultural commodities, practically all the exportable farm commodities in Canada come from the province of Ontario.

Our feeling is that there is an overseas market to be developed. With that in mind, considerable time was spent in Great Britain to determine what the British consumer preferences might be.

I do not intend to go into any details in connection with particular commodities at this time, since there is a full report being printed in connection with the various exportable commodities along with recommendations proposed by the group which made the study. This report will shortly be presented to all the hon. members of this House. The chief object of the study group was to inquire into the possibilities of increased export trade in Ontario agricultural products now possible as a result of the removal during 1959-1960 of most of the United Kingdom restrictions on imports of food from the dollar countries.

On their return home, the representatives of the commodity group reported they were convinced that there is a definite possibility of renewing and expanding the prewar trade relationship that was so mutually satisfactory prior to World War II.

I might say, Mr. Speaker, that it is my intention that this group will not just simply make a trip overseas and make a study for the time being, but that it will continue as a group to continue to study potential development of markets overseas. The group was very well received over there and there was a good deal of enthusiasm. They made over 500 contacts with trade representatives in the 3 weeks they were overseas, so I assure the hon. members that they were extremely busy.

I will leave it up to the hon. member for Huron (Mr. MacNaughton), who accompanied us representing the grain, grass and clover seed section of the study group, to go into more details in connection with the individual activities of the members of the committee.

As I said, it is not our intention to interfere with the export activities of the federal department, and I want to give credit to the new federal hon. Minister of Trade and Commerce for his awareness of the situation and the necessity to develop export trade. That is evident from the fact he has called together his trade commissioners from across the entire world for a conference on December 5 to 9 at which 119 representatives from

The Department of Trade and Commerce will be called together to discuss the possibilities of expanding Canada's trade.

I feel there is a very definite field where we, as a province, can assist, and that is in the matter of promoting and developing quality products.

There were 3 things which seemed to stand out more clearly than anything else in the conclusions that were reached upon our return. The first was that we must put more and more emphasis on the quality of farm products. It is one thing to produce the commodity but it is just as important—in fact it is more important—to make sure that the quality of that product is of the very best.

The British housewife, perhaps, spends more of her dollar on food than does the housewife in practically any other country. The British people like food and the British housewife is very selective. I would say to the producers in the province of Ontario that it is very essential that we must at all times be quality-conscious in order to compete with other countries exporting to the United Kingdom.

The British market should not be considered as something in the nature of a dumping ground where we can dispose of surpluses of one commodity or another. Rather it must be considered as a market to be developed, a market where the trade and consuming public will have confidence in the quality of the products that we make available to them and that will ensure a continuity of supply.

There is no point in building up a market this year unless we are prepared to give a continuity of supply in that particular commodity next year and in the succeeding years.

There is one other matter that stood out in addition to quality of product and continuity of supply. That is that the price must be competitive. I feel that—in spite of the fact that we are living in a high-priced economy, influenced as we are to a great extent by trends in the United States of America. Perhaps I should not say this, but sometimes, I think, we, in Canada, would have more of a Canadian spirit, and we would be much better off as a people, if we were about 1,000 miles removed from the United States and were not Americanized, but were more Canadianized.

I feel that we can trade with these countries, but we will not be able to trade with Britain and with Western Europe—and I mention Western Europe because some members of the trade group visited several countries in Western Europe, particularly in

respect to tobacco exports. We can trade with them if our prices remain as at present, providing we give them a quality product.

I feel that if we are going to compete in the European market with its population of nearly 100 million people who are producing only about 60 per cent of what they consume, we will also find a tremendous market potential in Great Britain.

I am confident, Mr. Speaker, that market can be developed through the production of good quality products, if we do not price ourselves out of the market.

At the present time, as far as flue-cured tobacco is concerned, we have very little competition price-wise. But, at some later date during this session of the Legislature, it is my intention to give further details to the House in respect to the mission I headed overseas.

It is our intention to establish a market development branch in The Department of Agriculture. It is our intention to place representatives overseas in order to be, what I might call, "trouble-shooters."

I think it is very important, whether it is cheese, livestock products, tobacco or any other exportable product, that we should have someone over there working with the trade to deal with any complaints with respect to quality or any other problems. We should have someone over there who is fairly conversant with Ontario farm production, and Ontario farm commodities. Such representatives could follow up on those complaints, working back here with the processor and the primary producer, in order to establish a better feeling of goodwill which, I am sure, will bear fruit insofar as the export of farm products to the United Kingdom and Western Europe is concerned.

I feel that it is absolutely essential for us, in Ontario, and in Canada, to be able to trade on a competitive basis in the free markets of the world. I think that the survival of agriculture in this country, and the survival of our whole Canadian economy, is tied up with trading as freely as possible with other peoples in the free world.

From information which was brought to our attention from various—particularly government—sources, there was some concern from an agricultural standpoint, if Great Britain should become a part of the European trading bloc.

I feel that such a step would not be necessary, if we were to appreciate what a great market Great Britain has for our products, and if we also were to appreciate the fact

that Great Britain, herself, has to export in order to live. I think we should have trade just as freely as possible between ourselves and Great Britain. If Great Britain should join the free trading bloc in Europe, it could have very detrimental effects on the export of Canadian farm products.

Mr. Speaker, I do not intend to elaborate further, at this time, on the purpose of our visit overseas. I may add that every member of the party was more than impressed with the possibilities and the potential. In addition, I am sure that it is something we must keep working on, must keep developing. We must also establish confidence on the part of the British buying public and the British housewife. We must make sure of the quality and the continuity of supply as far as Ontario farm products are concerned.

It is our intention to place over there representatives of the agricultural industry in the province of Ontario to assist in developing a market in Great Britain.

An hon. member: Are there none there at the present time?

Hon. Mr. Goodfellow: There are none there at the present time; no agricultural people as such.

Mr. A. Wren (Kenora): I am interested in the latest entrant into the ranks of the Liberal party, when the hon. Minister of Agriculture tells us that he too is a free-trader and has no sympathy with the attitude now prevalent at Ottawa—the attitude which almost killed us economically in the Bennett days of 1930.

I was surprised, though, to hear his current attack.

The hon. Minister is not blaming Ottawa; Progressive-Conservatives from coast to coast are joining to blast the United States. I want to tell you, Mr. Speaker, that as far as the part of the country from which I come is concerned, there would indeed be very little employment of any kind, indeed there would be little industrial development of any kind, were it not for our neighbours to the south.

I do not like some of the attitudes which America, in an official sense, takes towards Canada, and I have said so on many occasions. But I do not think we should flog to death the best neighbour any country could have, and indeed flog to death the best customer we could possibly find. One thing about the trading—

Hon. Mr. Frost: That did not happen around here.

Mr. Wren: The hon. Minister of Agriculture, I point out to my hon. friend, just got through saying that he wished the United States were 1,000 miles away.

Hon. Mr. Goodfellow: I said nothing derogatory about the United States. I like the people of the United States, but I still think that we as Canadians are quite capable of standing on our own feet and not being controlled and run by the United States of America.

Mr. Wren: I would like to tell the hon. Minister, Mr. Speaker, that were it not for the United States, for example, the great Steep Rock iron mines might not be in existence today in northwestern Ontario. Were it not for money from the United States, the Ontario-Minnesota Pulp and Paper Industries at Kenora and Fort Frances would not be in existence today. Were it not for capital from the United States, a good many of our gold mines would not be in existence today.

I agree that Canada can, and should, stand on her own feet. But I suggest, very seriously, that we are not doing Ontario or Canada any good when we are telling the only customer in the world who pays cash that we do not like him.

As far as the northern viewpoint on unemployment is concerned, Mr. Speaker, we get removed at times from the situation here and at Ottawa. But the one thing we are concerned about is this: Despite all the brilliant speeches we hear from people who are supposed to be learned, and people who are supposed to be skilled in provincial, national and international affairs, we are plainly and simply, Mr. Speaker, at war. This is part of the economic war world socialism has forced upon us. The reason we and other countries are losing our markets today is simply because the world socialist movement is moving in on us.

I repeat, Mr. Speaker, that we have heard speeches from many sources where we are going to have to face personally the dangers from military conflict. But before that, and perhaps instead of that, we are going to have to face an economic war developed by an enemy who is just as capable on the economic front as he might be on the military front.

We are faced with a situation now, I repeat, where world socialism is creeping in on us. If those of us who believe in individual enterprise do not have sufficient fortitude to stand and meet this threat, then I say to hon. members that we are not

meeting our responsibilities in public affairs. If war were to start and actual military conflict were to take place tonight or tomorrow morning, there would be no shortage of money to meet the emergency at hand.

Parades and bands would be streaming up and down the street and people would be enlisted to align themselves on the side of our country and our people.

I suggest to you, Mr. Speaker, that the situation with regard to unemployment is just as serious. The needs of our people are just as serious in today's social sense as they might be in tomorrow's military sense. I emphasize this because if we are not prepared to meet this kind of emergency, then the economic theories which are not agreeable to us will be forced down our throats whether we like them or not.

In a dynamic and growing nation such as Canada, standing on the threshold as it is of industrial greatness and of industrial development, the cause of serious unemployment today as in history, in this country at least, can be attributed among other things to one important point. I refer to unemployment in government in Canada. For never in the history of Canada, or in the history of Ontario, have our people witnessed so many people holding high office in government and doing so little with their high office.

It is significant, Mr. Speaker, and I want to emphasize this, that the hon. Prime Minister of Ontario is to my mind one of the most hard-working individuals that it has ever been my lot to meet. But I suggest, Mr. Speaker, that some of the tired blood about him might be helped by Geritol, but I think they are too far gone for that. It is significant of hon. Ministers of the cabinet and appointees of the cabinet that we have in this House today, 37 people living "high off the hog," with at least 15 additional people hanging on the ropes waiting for someone to fade out so that they can take their place.

Never in our history have we had so many chiefs and so few Indians; and never in our history has so little been accomplished by so many—

Some hon. members: Hear, hear.

Hon. Mr. Frost: Where were all the Indians in those two by-elections? Will the hon. member please tell me that?

Mr. Wren: What by-elections?

Hon. Mr. Frost: Has not the hon. member heard about that? He had better come back to earth and read about them.

Mr. Wren: I have not been to any by-election with any Indians.

An hon. member: He has not? He was up around there.

Mr. Wren: I have not seen them. I have not seen any Indians since the last general election and neither did the officials, because they took some of their votes 5,000 feet in the air, so do not talk to me about Indians.

Hon. Mr. Frost: The hon. member had better get down to the resolution, and leave all those other topics alone or he will burn his fingers.

Mr. Wren: All right, I will get to the resolution. I am not going to burn my fingers because I am going to submit evidence to support my contention.

We have the all-important need right now for a national government which is capable of producing and maintaining a climate under which individual provinces can breathe.

History shows again very clearly how Tory thinking in national government always produces serious recession, which ultimately hits those who can least afford it, the working man and his family. The years 1930 and 1957, incidentally, produced two national political figures each swearing to do great things for this country. The greatest contribution the late Mr. Bennett made to Canadian history was when he landed on British shores to become a British citizen. And I suggest that the unemployed aircraft workers at Malton, who are now making boats, would be glad to contribute \$1 apiece to finance the present Rt. hon. Prime Minister's exit to Britain.

Interjection by an hon. member.

Mr. Wren: I may say I am going to talk to my hon. friend from Muskoka (Mr. Boyer), in a minute.

Mr. Speaker, a recent Gallup poll revealed a sharp trend away from the Progressive-Conservative government in Canada—

Interjections by several hon. members.

Mr. Wren: Mr. Speaker, I appeal on a point of order—

An hon. member: If he wants to talk on the Throne debate, let him talk about this then; but this is no place to talk that—

Mr. Speaker: I would point out that there is rather a little latitude tonight. There is some difference between the discussion of a motion which we have before us, which is a

distinct motion to discuss a specific matter, the matter of unemployment. And I would say that the members have greater opportunity and greater facility in other debates and speeches than at the present time for a much wider discussion, so I would ask that we discuss the resolution under consideration.

Mr. Wren: Mr. Speaker, part of the spirit of the resolution of the hon. member for York-Scarborough included methods and means of assuming responsibility, either separately or with the government at Ottawa, in matters of national importance such as trade, unemployment and the like. I cannot remember offhand the exact wording of the resolution, and I submit that I am staying with the spirit of that when I want to demonstrate to this House that one of our prime problems is the need in Ottawa for understanding of our problem in Ontario before we can successfully arrive at any solution, temporarily or permanently, to the unemployment problem.

Hon. Mr. Frost: Bring me over a copy of the resolution, please.

Mr. Wren: I have one here.

An hon. member: He said he did not know anything about it.

Mr. Wren: A recent Gallup poll revealed a sharp trend away from the Progressive-Conservative government in Canada—

Hon. Mr. Frost: Our hon. friend has a perfect right to talk on the Throne debate, but that has nothing to do with this resolution.

Mr. Wren: May I proceed, Mr. Speaker? Thank you. This survey, Mr. Speaker, showed that every region except the Maritimes had swung away from support of the existing government in Ottawa.

Mr. Speaker: I mentioned, the last time I was on my feet, that we should keep right down to the specific subject of unemployment, and I fail to see why the member is not keeping to the subject. Now, I will let him proceed a little further—

Mr. Wren: Mr. Speaker, I would point out respectfully, sir, that I believe you are being unfair, because the hon. Minister who preceded me talked almost entirely about agriculture and agricultural markets and I made no protest.

Hon. Mr. Frost: That is included in the motion.

An hon. member: Of course, it is among the things that should be done.

Hon. Mr. Frost: Mr. Speaker, we are discussing matters according to the notice of motion—resolved that trade and commerce are within the confidence of the federal Parliament.

Mr. Wren: All right then, I am talking, I want to lead up to the question on matters of trade and commerce.

An hon. member: Read it! Read it!

Mr. Wren: Then let every effort be made in every sector of the provincial economy to co-operate with federal agencies in business generally to market our goods at home and abroad. I want to talk about that.

Hon. Mr. Frost: Does the hon. member mean to say agriculture has nothing to do with that? Of course, it has.

Mr. Wren: I did not say, Mr. Speaker, that agriculture had nothing to do with that. The hon. Prime Minister indicated that I was to talk only about unemployment.

Hon. Mr. Frost: I said no such thing at all.

Mr. Wren: Well then, let me carry on. It is interesting to examine the reason why only the Maritimes continue to support the national government in federal government matters contained in this resolution.

Hon. Mr. Frost: I strongly object to this. It has nothing whatever to do with this resolution. We are not discussing the popularity or the unpopularity of the federal government. We are talking about trade and commerce and I would suggest we stick to that.

Mr. Speaker: Order! Order! I would say the Prime Minister's point is well taken.

Interjections by hon. members.

Mr. Speaker: Order! Order! We are not discussing the vagaries of the actual government, or the trends of government, we are discussing unemployment. I realize that members need to discuss things that lead up to them, but I would ask once again that members keep to the resolution on unemployment. We have other areas in this Legislature where we can discuss these things of wider content.

Mr. Wren: Mr. Speaker, if you will allow me to lead up to talking about this very thing, about economic conditions, employment, job opportunities—that is what I am

leading up to. I want to compare, for example, the economic conditions of the Maritimes with ours. What is the matter with that? We are going to talk about business in Ontario. That is what I am going to talk about.

What I want to say is this: The reason why only one sector of our whole population is agreeing with the government of Canada on economic policies is that now all the other provinces are reduced to the poverty of that area, so that the Maritimes feel so much better because we are all equal.

Hon. Mr. Frost: That is a bright one! That is typical of the Opposition. They have no interest in the welfare of this country or the unemployed.

Mr. Wren: I have uttered only about two statements. The introduction of a resolution, Mr. Speaker, such as we are considering today is in our mind another time-wasting instrument designed to cloud the issues and stall resolutions.

This Ontario government came to office in 1943 and held office through the postwar years when buoyant conditions allowed not only time to develop but also time to prepare for emergency—which I consider this present economic situation to be. But now when a real emergency presents itself, we hear noises about studies in conferences and planning.

I ask, Mr. Speaker, what on earth has the government been doing with its time since 1943? Where are the plans which were the responsibility of one whole department to have ready for these times? Where are the lists of unemployed classified by age and occupational groups for immediate diagnosis? Where are the industries which now could be encouraged to build or expand? Where are the warehouses, the barns, which could be dispensing our agricultural products? Where are the access roads which could now be developing new mineral wealth in the north?

Hon. Mr. Wardrobe: The hon. member just opened one.

Mr. Wren: No, I did not. The hon. Minister could not go.

Hon. Mr. Wardrobe: Oh yes, he did!

Mr. Wren: The hon. Minister could not come.

Hon. Mr. Wardrobe: No, but you got it built.

Mr. Wren: Certainly, we got it built.

Hon. Mr. Wardrope: My hon. friend knows what this government has done up there. Do not kid us about that!

Mr. Wren: Where has an attempt been made to disburse long-productive government activities to areas outside metropolitan Toronto and relieve downtown government properties for industrial and commercial development and aid depressed areas elsewhere in the province?

Hon. Mr. Wardrope: He knows what this government has done. Does he want me to read—

Hon. Mr. Frost: I can read for him several details from the Port Arthur *News Chronicle*.

Mr. Wren: I can read to the hon. Prime Minister several articles from the *News Chronicle* of what he has not done.

An hon. member: Ah, but not lately!

Mr. Wren: Mr. Speaker, I am going to continue this speech if I have to be here all night. I have the right to speak in this assembly, but I have been faced with far more adverse opposition than faces me here. Hang on! If the resolution now in debate had—

Hon. Mr. Frost: I thought that the hon. members opposite were "raising Cain" with the hon. member for York-Scarborough for reading his speech. I wonder what they say about that now? This afternoon they were objecting to the hon. member for York-Scarborough. I do not hear them objecting now.

Mr. Wren: If the resolution now in debate, Mr. Speaker, had in its text or through its hon. sponsor, set out to explain why the government has been so long unemployed, more purpose might have been achieved. Instead, we find the government today acting in some departments as the exposed part of the civil service only. Not planners, not leaders, not courageous administrators, but simply declarers of the vacuum situation which exists. And they talk about reading speeches and using material prepared by a civil service—and a civil service which is not at fault for they have not had the leadership which could conceive of forward progress in departments and divisions. They are in some instances directed by hon. Ministers who have seemed to have undergone a complete mental blank.

An hon. member: Who is this speech putting to work, might I ask?

Mr. Wren: Wait and I will tell him. Instead of trying to find and correct deficiencies, this government has now embarked on the most luxurious public relations campaign in history. There are now scores of people, Mr. Speaker, grinding out material on the most expensive paper available for reasons—

An hon. member: Name one! Name one!

Mr. Wren: *The Road*. What a classical example of pure waste of public funds. They are grinding it out, Mr. Speaker, because this government fears the interpretation of the press—

Hon. Mr. Frost: Might I, Mr. Speaker, on a point of order just read to my hon. friend the resolution? Have I permission to read the resolution?

An hon. member: Is the hon. member for Kenora giving him permission to read the resolution?

Another hon. member: On what point of order, Mr. Speaker? Certainly he must express—

Mr. Speaker: I must point out I have not heard it yet.

An hon. member: Surely the hon. Prime Minister may state his point of order.

Hon. Mr. Frost: My point of order is this. This resolution reads:

THAT in view of mounting world competition and its effects on industry, particularly secondary industry with its instance of unemployment,

BE IT RESOLVED THAT while trade and commerce are within the competence of the federal Parliament, every effort be made in every sector of the provincial economy to co-operate with federal departments in business generally to market our goods at home and abroad,

AND THAT this House urges that initiative be taken by business, industry and labour, and as well all levels of provincial government within the area so that they can constitutionally operate to further and increase employment and job opportunities in Ontario.

Now, sir, my point of order is this: That is the resolution. My hon. friend, the leader of the Opposition moved an amendment which is a reasoned amendment, as did also the hon. member for York South. I think my

hon. friend should confine his remarks to that. If he wants to abuse the government, let him do so on the Throne debate. Let us deal with this resolution, which is very broad, I can assure you, sir.

Mr. Wren: Mr. Speaker, I say to you with respect, sir, that you are permitting the hon. leader of the government to ride roughshod over everything.

Mr. Speaker: I would say myself that when the member started discussing *The Road*, the extravagance of the government, and something about *The Road* and publicity, I myself could see no connection at that point with the matter and the subject of the resolution which is, namely, unemployment.

Mr. Wren: It is 10.30, may I continue?

Hon. Mr. Frost: Mr. Speaker, may I suggest it is 10.30, and if the hon. member would move the adjournment of the debate, it would be in keeping with the spirit of the

resolution which was introduced here. It is 10.30 and I think I said we would try out the recommendations of the committee. If my hon. friend would move the adjournment, he could continue at an appropriate time.

Mr. Wren: If that is the wish of the House that I continue on another day, Mr. Speaker, I will move the adjournment.

Motion agreed to.

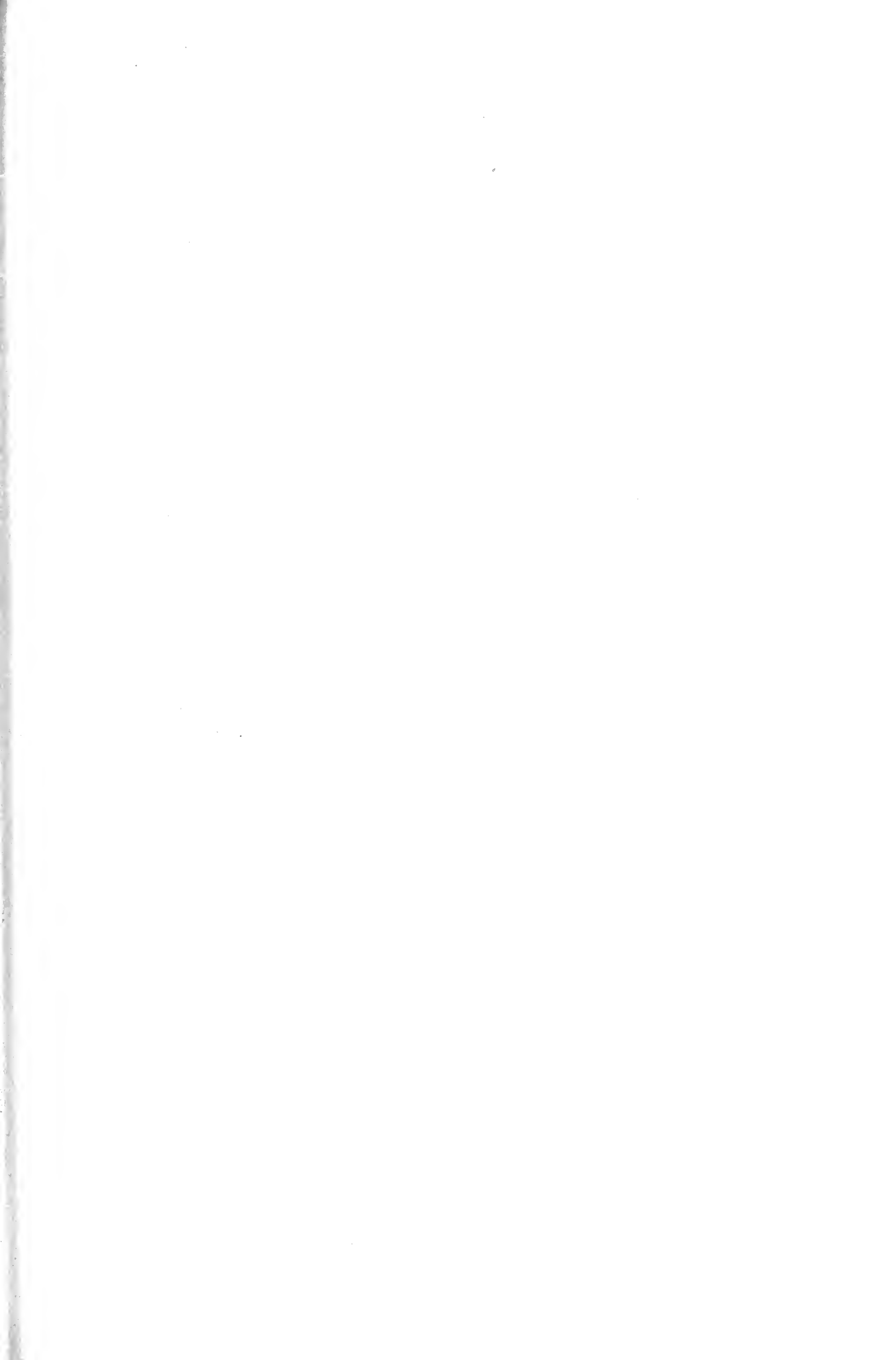
An hon. member: Is it the intention of the hon. Prime Minister to continue the Throne speech debate tomorrow?

Hon. Mr. Frost: Yes, we will have the Throne speech debate tomorrow.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, November 29, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 29, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition was brought up, laid on the table, read and received:

Of the corporation of the city of Ottawa, praying that an Act may pass establishing an active treatment hospital, or convalescent hospital, or both, in the city of Ottawa, and for related purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move, seconded by hon. J. N. Allan, that when this House adjourns the present sitting thereof, it do stand adjourned until Thursday next; also that this House meet at 10.30 a.m. on Friday next, and that rule 2 of the assembly be suspended insofar as it may apply to this motion.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Hon. Mr. Frost: Mr. Speaker, I may just make this explanation before the introduction of this bill, or a bill which will be introduced by the hon. Attorney-General (Mr. Roberts).

There will be introduced amendments to The Legislative Assembly Act and to The Municipal Act, concerning the rights to sit on certain elected bodies under certain conditions of school teachers and retired members of the civil service, who are, in the ordinary course, entitled to certain payment from the public funds of Ontario.

I may say, sir, this is just part of the matter I raised a few days ago.

I shall, at the beginning of the week, table a complete report in relation to the matter of Philip Hoffman, member-elect for the

electoral district of Temiskaming. It is sufficient for me to say, at the moment, that, in my opinion, there is not a shadow of doubt as to his right to take his seat, excepting for the matter of the ordinary superannuation, which applies to all the civil servants.

This, however, I shall not elaborate upon or further explain at this time, as I shall be making a full statement at the beginning of the week.

As I intimated to the House previously, there is a very definite problem in connection with superannuation payments to retired civil servants and to a retired teacher, or teachers, under The Teachers' Superannuation Act, to both of which the government contributes and votes funds from year to year. Last year, of course, there was the sum voted in the ordinary estimates. Then on the supplementary estimates, there were further sums voted.

These matters are, sir, I think, strictly technical. Nevertheless, they affect the rights of this House and I shall have available a full explanation of these matters, I hope, at the beginning of the week. May I point out that it was never contemplated by the Legislature that these matters might affect the rights of such individuals to sit in the Legislature—as a matter of fact, I think it was never considered.

When the matter of the measure relating to pensions for members was introduced last session, it is my recollection that it provided that such pensions would not affect the right of individuals to accept superannuation from the various funds that are sponsored by the government.

Amendments will be introduced to clarify this situation. It is subject to the fullest explanation to this House and this very brief explanation is usual on the introduction of any bill, on its first reading.

I believe, sir, there are 6 hon. members, and possibly 7, affected by the superannuation provisions.

Instead of introducing the bill myself, the hon. Minister of Municipal Affairs (Mr. Warrender) will be introducing a bill which is now under consideration by the law clerks, in connection with these matters insofar as they affect municipalities. The hon.

Attorney-General will introduce the other bill relating to The Legislative Assembly Act and, as I say, this is the explanation that is given on the first reading.

THE LEGISLATIVE ASSEMBLY ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Legislative Assembly Act."

Motion agreed to; first reading of the bill.

He said: It being our practice here to give some short explanation on introduction, I would point out that there are 3 sections of The Legislative Assembly Act: (1) section 8, which deals with employees, officers of government and so forth, and their position with respect to sitting in the Legislature as members; (2) section 9, which deals with contracts with respect to the same people; and (3) section 10, which gives a number of 12 or so exceptions, enumerated from the general prohibition or ineligibility.

The first section of this bill would implement the recommendation of the select committee. It is not particularly in relation to anything that is being dealt with or being thought about in this legislative assembly at the present time, in relation to any person. The recommendation was that a resolution be provided as a vehicle for providing for qualification where disqualification might otherwise appear in relation to special and specific instances, with respect to members, and to apply to section 9 only—the one that had to do with contracts.

The amendment adds the following words to section 9, at the beginning:

Except as authorized by resolution of the assembly, no person holding or enjoying or undertaking or executing directly or indirectly and so on . . . contracts . . . and so forth, shall be eligible to sit, except as authorized by resolution of the assembly.

Then, with respect to section 2, which is the section that would have a corrective effect, in relation to those matters which the hon. Prime Minister has just mentioned, superannuation and so forth, sub-section M of section 10, which would be one further exception under the excepting section, would read:

By reason of his being—
and these are the provisions which do not exclude a person from sitting—

By reason of his being entitled to, or in receipt of, any money under The Legislative Assembly Retirement Allowance Act,

1960, The Public Service Act, The Public Service Superannuation Act, 1960 or The Teachers' Superannuation Act, or under any other Act of the Legislature or the Parliament of Canada—

that would take care of pensions and that sort of thing—

that provides a pension, annuity, allowance or other similar payment made up in whole or in part of public money.

Then a further section makes sections 2 and 4 applicable to every member of the assembly heretofore or hereafter elected.

Mr. Speaker: Orders of the day.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, for the information of the uninitiated, may I say, in regards to wearing a tartan—

Mr. D. C. MacDonald (York South): Ah, that a man's reach should exceed his grasp!

Hon. Mr. Grossman: Do not show an ill respect for St. Andrew's day, hon. gentlemen!

For the information of the uninitiated, what the page boys are wearing is a little bi' o' heather from the highlands o' bonnie Scotland.

I could not find, Mr. Speaker, a Grossman tartan. I think if I had had a little more time I might have been able to; I expected to speak on this occasion tomorrow. So I borrowed what the experts tell me is a tartan of the MacIntosh clan.

We in St. Andrew have been waiting for years for this occasion. This is the first time that a session of this Legislature coincides with the day which is known as St. Andrew's day. None of my predecessors representing the riding of St. Andrew have ever had the occasion to be able to stand up here, as has the hon. member for St. David (Mr. Price), and speak—as he has spoken of the good qualities of the fine Welsh—and the hon. Attorney-General, who represents the constituency of St. Patrick, who has told us on St. Patrick's day of the fine qualities of the Irish—and finally comes the year when the fall session coincides with St. Andrew's day. However, there seemed to be a conspiracy to do us out of this, because, tomorrow, which is really St. Andrew's day, has been called a day for committees and this Legislature, therefore, will not be sitting.

But the Scottish people, sir, will not be thwarted. Perhaps I might even suggest that the hon. Prime Minister when he

did me the honour of appointing me to his cabinet, did this with a view to the coincidence which occurs this year, as some sort of a sign or good omen from the spirits of his Scottish ancestors.

As you know, sir, I represent the riding named after the patron saint of the great Scottish people. And, while some may think it is a little peculiar for me to bring greetings, it is not as peculiar as it may appear. As has been reputed, by some at least, the Scottish people are one of the lost tribes of Israel. As a matter of fact, it might be interesting to note that my own spiritual leader is known as Rabbi Dr. Stuart Rosenberg.

It is a great pleasure, Mr. Speaker, therefore, for me—on behalf of the thousands of fine people in St. Andrew riding, coming as they do from all parts of the globe—to bring greetings to all of those fine Scottish people in our province and in our country, who played, and are playing, such a magnificent and significant part in the pioneering and development of this province — a province which, at this time, is governed and headed by an hon. Prime Minister and a fine hon. Lieutenant-Governor (Mr. Mackay), both Scots, two citizens of whom I think any race would be justly proud and both of whom are a credit to their ancestry.

I think, sir, too, that it is a credit to their ancestry that both the hon. Prime Minister and the Honourable the Lieutenant-Governor are particularly respected in this province because of their approach to all those of other faiths and other ancestries.

St. Andrew, therefore, with its cosmopolitan population, wishes the Scottish people of this province long life, health and the continued respect of all.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, may I make this announcement or proposal related to procedure in the House?

It has been the custom in the past, at the time of the introduction of the budget, to present and table all of the estimates. Now, at one time it was the custom to complete the budget debate before the consideration of any estimate. This was in the great happy days when we used to put through all the estimates in one night's sitting; sitting from 8 o'clock in the evening until 6 o'clock the next morning. That was in the days of the enlightened regime of the party opposite.

This was changed a few years ago. As a matter of fact, I changed it to the more enlightened procedure of introducing the calling of the estimates immediately after

the introduction of the budget which has given us the opportunity of discussing the business of the province in great detail.

Now, sir, in many jurisdictions, the estimates are introduced before the introduction of the budget. For instance, they might be introduced at this time and the budget might not be introduced for some months afterwards. I would say that might be possible some time in the future, but it certainly is impossible at this present time.

We propose this year to present certain individual estimates by having the hon. Minister present the same and table them with the same being placed upon the order paper. Consideration would then be given at the convenience of the House in the ordinary course.

The combined estimates, of course, will be presented as usual at the time of the presentation of the budget statement. The above procedure will help to facilitate the work of the House. There is no reason why a consideration of the estimates might not be dealt with in part during the session before Christmas.

There are some estimates that are ready, and there is no reason why they might not be considered if the opportunity arises. At the beginning of the week, I shall give the hon. members a list of the departments where estimates are prepared and could be presented as I have outlined, and we shall then arrange for calling these at times convenient.

Now, sir, I think that this is the method by which we can expedite the business of the House and we can give the hon. members, I think, more opportunity to consider these estimates as they come up.

That is not a great departure from what is done elsewhere. I have discussed the matter with the province to the east of us. It has been their method to introduce the estimates in total, say, at the November session, and they are taken up as time goes along, when the budget itself is considered under the committee of ways and means as well as in the committee of supply—which I think perhaps is a better way to put it.

The motion in relation to ways and means would deal with the manner and the method by which these estimates should be taken care of. However, sir, at the present time it is impossible to present the estimates in bulk. That has been proven. But there is no reason why we cannot introduce the estimates of half-a-dozen departments and view them at this time as we have the opportunity to deal with them.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I would like the opportunity to discuss with the House not only this immediate problem, which is obvious and one that is understandable and one that we will have to deal with impressively, but, I would, Mr. Speaker, point out that during the caucus meeting of our party this afternoon, it was brought to my attention that, constantly over the past several years, we have not followed to a specific conclusion any particular debate before starting in on another.

I refer to the concern, and maybe even a little bit of confusion, that has resulted when we failed to complete the Throne speech debate before we have introduced the budget debate.

Now, immediately we have the problem where a good many hon. members, and, I presume, hon. members on all sides, may be vitally concerned with this matter of unemployment and the motion on unemployment. It seems to me that if we are going to permit that debate to continue simultaneously with the Throne debate, then again confusion is going to result.

With the introduction of the estimates as such, I have no quarrel. I do not think we can have. I can see the hon. Prime Minister's problem and I think that for the good conduct of the House, these estimates should be introduced at an early time and be considered.

But, Mr. Speaker, I feel very strongly that now is the time to bring real order into the varying debates, the principal debates of the Legislature, and I, personally, feel that we should establish a certain priority.

For example, in the early days of the session we all conceded that the question of unemployment was of great concern and of immediate public urgency and such-like. I noticed that same phraseology was used by all hon. members. If that be the case, maybe it would be wise and prudent to debate this thing until it is finalized and concluded, and then to start on the Throne debate and then, at some opportune time, introduce the estimates.

To permit 3 important debates to pursue simultaneously, I do not think is good and I do not think is efficient.

Mr. Speaker, I would point out that there is an understandable tendency after an important debate like unemployment has been introduced to then move into other areas of debate, for example the Throne speech, and forget about it for a considerable length of time. When it is recalled, much of the

enthusiasm of the debate, much of the participation in the debate, has been lost. So I think that it is only a courtesy to permit all hon. members of the House to conclude their remarks.

For myself, I am very fortunate to have the opportunity to speak immediately on these matters and it is of no personal concern. But, I do speak for those hon. members on all sides who want to, and honestly want to, take part in debates that are important and of great public interest at the time that public interest is focused on this particular debate.

For that reason, Mr. Speaker, I feel very strongly about this matter. It is not my privilege—it is not the privilege of the Opposition—to direct affairs of this House. As the hon. Prime Minister said many times, the people have given him that particular authority. But I would appeal to his sense of not only fair play, but of efficiency and good business administration, to advise the House that not only real concern will be given this problem, but to undertake to the House that we will follow the procedure of many other legislative bodies, where a debate once started is pursued to finality before any other debate is inaugurated.

In seriousness, Mr. Speaker, I do not think there is any need for me to elaborate more than I have. It is not my intention to move any motion in this connection. It is not my intention to divide the House and such-like. I want to tell you, Mr. Speaker, I feel very strongly about it and I do not know how I can put my argument any more forcibly than to say that it does occur to me that all hon. members of the House have an equal right over and above and aside from the leaders of the respective parties, to speak on all important matters at quick opportunity, and an opportunity approximate to the time when public attention is focused on this particular problem.

I suggest this to you, Mr. Speaker, and I would hope that in that suggestion you will have the sympathy and assistance of the hon. Prime Minister.

Hon. Mr. Frost: Well, sir, in response to what my hon. friend has said there are two or three different classes I might deal with in this matter. We have in recent years overlapped the Throne debate and the budget debate. Now, that was not always the case. We started that practice, I think, some 15 years ago. Afterwards, we abandoned it, but we returned to it for this reason: My hon. friends will understand that in operating the House, I try to see that all the time is

taken up. I do not know of anything more frustrating, for instance, than having a few bills on a certain day and then being in the position that the House has to adjourn because, for instance, according to practice the hon. leader of the Opposition or his financial critic is the first person to debate the budget and you have perhaps a period of some 5 days in there which it is difficult to fill.

Now, I discussed that, and I think the hon. leader of the Opposition was quite in agreement that we could, by carrying on the Throne debate, fill in that period of time.

Now, I say to my hon. friend that I hope perhaps this will work out from what I have suggested this afternoon.

The Throne debate itself can be wound up much earlier and in these periods of slack time which you run into in operating the House—periods when it is convenient to have orders of business which you can call—we will have certain estimates on the order paper which we can take up.

I think that we can by that method, dispose of the Throne debate instead of carrying it over for the purpose I mentioned.

I would point out to my hon. friend, in connection with the employment resolution of yesterday, that hon. members will readily recognize the problem. This was a matter, we all agree, of urgent public necessity. My hon. friend, I think on Thursday last, moved the adjournment of the House in order that we might discuss this matter of urgent public importance. We all agreed. The problem was that a motion only gave each hon. member, 10 minutes to discuss that highly important matter. I said at that time, in order to expedite this, I would use as a vehicle the resolution introduced or standing on the order paper in the name of the hon. member for York-Scarborough (Mr. Sutton).

Now, I would say to my hon. friend, of course we are going to be faced with this. Today, we proceed with the Throne debate in the ordinary course. This is the day when he speaks and I speak, and perhaps the hon. member for York South speaks, if we have the time.

Obviously, the hon. members of this House are not precluded from speaking on the Throne debate because there is a resolution there dealing with certain areas of the problem of development and unemployment. That would give my hon. friend from Kenora (Mr. Wren) the fullest of opportunity to develop the argument which I thought was out of order last night. We could proceed now and debate that—

Mr. A. Wren (Kenora): We did not have time—

Hon. Mr. Frost: —at full length in the Throne debate. Now, I say to my hon. friend, it is difficult to avoid overlapping. I would point out, that by my hon. friend's procedure, which he himself proposed last week, if we had adjourned the House to discuss these matters of public importance, of course, these would have continued for 10-minute periods until such time as Mr. Speaker felt that the matter was disposed of, and then that would have ended it.

Now, under this method—the method that we used yesterday—there was I think a very bold discussion and there will be the opportunity now to proceed with the Throne debate. I am perfectly prepared to call the other motion—very glad to, indeed—and have the matter disposed of, but, I just point out that I do not think there is any real injustice done to any hon. member. As a matter of fact, there is more opportunity to speak in the procedure which we have adopted. But I will do my best to work these things out with my hon. friend, I can assure the House.

Mr. MacDonald: Mr. Speaker, I wonder if the hon. Prime Minister could give us any indication as to which departments' estimates might be coming down in the fall portion?

Hon. Mr. Frost: It is difficult, but I think there are some coming down on Monday. I think that we have discussed some of these things. There are matters, for instance, that take a bit of time, that need to be discussed, that are small. For instance, these include the estimates of the provincial auditor, the Lieutenant-Governor, probably The Department of Insurance, The Department of Economics, perhaps The Department of Energy Resources, and possibly The Department of Planning and Development.

There are certain departments, obviously, such as Education and Municipal Affairs, that are going to be closely related to the budget itself. But, on the other hand, these other departments, I think, can be prepared, and they can be placed on the order paper. Then we can place them into the order of business.

But I will give you a full statement on Monday about that, sir.

Mr. Speaker: Orders of the day.

Clerk of the House: First order, resuming the adjourned debate on the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor at the opening of the session.

SPEECH FROM THE THRONE

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, it affords me pleasure, as always, to speak to an important debate and this Throne speech is, of course, one of the important debates of this particular session.

I would take this opportunity, Mr. Speaker, to commend you for your conduct of the House. I repeat that very sincerely. I think that your wit and witticism on occasion has alleviated certain tensions in the House. It has been appreciated by all.

I would take this opportunity likewise to commend the government on its willingness to meet in a provincial conclave, as I understand it, with the other Premiers of the Dominion in a conference that will start tomorrow. I expect, and I am confident, that all hon. members of the House join with me in extending our felicitations to the hon. Prime Minister (Mr. Frost) and to those of his hon. colleagues who will accompany him to Quebec City.

This is an historic conference, a conference that, I am confident, will serve real purpose in the development of federal-provincial affairs.

I would take the opportunity, Mr. Speaker, at this time—and I might say at the outset that it is not my intention to dwell on many subjects this afternoon—to make brief reference to the federal-provincial conferences and the fiscal arrangements and agreements on which an attempt to finalize is being made at the present time.

Mr. Speaker, I would admonish the hon. Prime Minister in one respect. It does seem to me that on the occasion of the conferences of last July and last October, I believe, a serious tactical error was committed by the government of the province of Ontario. I suggest that the impression created—at least in the press—was that the demand the province of Ontario made of the federal government was unrealistic in its immediate attainment and then it proceeded to side in with the federal government in respect to the matter of what is commonly called equalization. I will take the opportunity to express myself more fully in this respect.

Mr. Speaker, you will know, and all hon. members of this House—at least all older hon. members of the House—will know, that this has been the subject of much debate in the House over the period of the last year. The province of Ontario is not as such interested directly in equalization; certainly it does not receive any payment on account of equalization from Ottawa. It does contribute approxi-

mately one-half of the total amount that is distributed at the federal level.

Mr. Speaker, the impression I had was that the great interest of all the other Premiers and all the other representatives at the conference, whose concern was primarily in equalization, was to assure that equalization would not be frozen as of the present time. They wanted it to fluctuate with the economic development of the respective provinces and I think they made good argument. I think, in effect, they made the same arguments as our hon. Prime Minister made for assistance in the province—but that their demands varied with their provincial responsibilities, their responsibilities to hydro, education and the like.

Now, the freezing of that certainly put these provinces in a position where they were able to say to the federal government: "You have reneged—if you will—on the very principle of equalization. You are destroying the principle of equalization." I suggest that this government, at the time, intimated that it favoured a freezing of the equalization payments.

Sure, it was a monetary and immediate help to the province of Ontario, but, in the long view, what did it do? I suggest it solidified a good many of the other provinces in opposition to this point, and it weakened our hon. Prime Minister's bargaining position. I am confident of it. I think that he was in an ideal position —

Hon. L. M. Frost (Prime Minister): I did not say that at all—

Mr. Wintermeyer: The impression certainly was created that the other provinces opposed the principle of freezing equalization.

Hon. Mr. Frost: Well, that is just because some people wanted to think that.

Mr. Wintermeyer: Well, then I am glad to hear that that was not the case.

Hon. Mr. Frost: I did not say anything.

Mr. Wintermeyer: Then I say, Mr. Speaker, that the hon. Prime Minister should take this opportunity now and early to clarify his government's thinking in that respect, and then take the initiative along with the other provinces, an ideal initiative that he had in October and again in July, initiative that would have permitted, I am confident, the attainment of a formula something like 25-25-50, instead of 50-50-50.

I can appreciate his demand in theory. I can appreciate the fact that if it can be said that we have an equal right to tax in these

fields, that does not follow that we have an equal right to the share of all the revenue from those fields. We have an equal right to exercise our jurisdiction, but I acknowledge, of course, that in recent years there has been a desire on the part of all governments to vacate the taxing privileges of the provinces in favour of the federal government and rebate in the amount of 9, 13, and 50 per cent, respectively, for income, corporate and succession duties.

When the hon. Prime Minister made his announcement that he would want and expect a 50-50-50 division, it seems to me that he was asking for something wholly unattainable. If he received it, obviously it would mean a fantastic increase in the federal budget.

But he offered an alternative. He suggested that formula or an amendment to The British North America Act.

Which would be taken? Of course, the amendment of the constitution would be taken. But then was the opportunity to gather about him all the Premiers who were willing, I understand, to support him in the demand for something in the nature of a realistic 25-25-50 formula that would have given to Ontario more money than has been requested in recent years, more than the \$100 million that has been talked about.

That sort of thing, I think, could and would have been obtainable. That would have received the real support of the other Premiers.

It is my understanding, Mr. Speaker, that if the hon. Prime Minister will enunciate his government's position in regard to equalization and point out that the other provinces are right in their demands of equalization—and they are right when they say they should not be frozen, but should be free to fluctuate with economic developments of the provinces—and then solicit their help in that area of the federal agreement that would be of immediate and direct interest and benefit to Ontario.

That is a higher formula than the current 9-13-50. If he asks for their help at the present time, I am sure he will get it in the neighbourhood of 25-25-50. I am very much concerned, Mr. Speaker, that as a result of what I have termed a tactical error, we are in a position now where we are not going to get a nickel. I would suggest, Mr. Speaker—

Mr. R. Gisborn (Wentworth East): Not going to get a nickel any time?

Mr. Wintermeyer: I suggest, Mr. Speaker, that if this government would use these immediate conferences—the conferences with the other provinces that will start tomorrow to

enunciate certain principles—I am of the opinion that this 25-25-50 formula can be justified in principle.

I think it must be acknowledged by all who study this problem that, in fact, there are other responsibilities associated with the direct tax field than the payment of expenditures at the provincial and federal government levels.

For example, we talked of monetary and fiscal policy. That is the responsibility of the federal government. Much monetary and fiscal policy is associated with incoming corporation and succession duties. We know that and that the federal government is the area of responsibility.

There is another factor, the factor of equalization that I talked about, nothing more or less than subsidies to those provinces that are not as well off economically as we are.

Another factor that must be taken into consideration, the third factor, is the fact that the federal government uses these sources of revenue just as the provincial government does to pay for its normal expenditures.

I would say that all factors may well be approximate, and it would be well, therefore, to say to the federal government: One quarter of the potential productivity of these sources of revenue should be used for fiscal and monetary policy; one quarter should be used for equalization; one quarter should be used for payment of federal government expenditures, and one quarter for provincial government expenditures.

That would mean, in effect, that the provincial government had as much right in these fields, and derives as much benefit from these fields for responsibility and payment of the responsibility of strictly provincial activities, as the federal government.

Therefore, Mr. Speaker, it would seem to me that a 25-25-50 formula could be founded in principle at this time, for the type of thing that is attainable; the type of thing that could be sold to the other Premiers for a united front presented to Ottawa.

Certainly, the impression that I received was that there was no discord among the Premiers, but, at least, there was not the full united demand by all Premiers on equalization and on a specific formula.

As a result, I do not think the maximum pressure was brought to bear on the federal government. I feel that pressure must be brought to bear. I do not think the Throne speech, in relation to its statement that much progress is being made in this field, is adequate. I think it is obvious that no money

has been attained thus far and that no money is available in the near future.

I have spoken often on this subject and many people have spoken on it, but I want to clarify the records specifically. I have never taken the position that more money should not be obtained. I think it should and what is required at this time is a theory of principle that can be supported by all the Premiers, by all the provinces, and that demand made on Ottawa can then be made in more forceful and dramatic terms than what has been made thus far.

I think Ottawa has been permitted to get away with this situation. I think it has been permitted to avoid the real responsibility that it has had. I do not think any real principle or fundamental argument has been made to Ottawa that, in fact, a 25-25-50 formula would be founded in good order, in principle, to the extent that we have as much right, as a province, to demand of those sources of revenue the payment of our expenditures as they have.

We will acknowledge that it has additional responsibilities in the area of fiscal policy and in the area of equalization and they, Mr. Speaker, should be taken care of.

I make these remarks now at a time, Mr. Speaker, when the hon. Prime Minister will again have an opportunity to show the leadership that I think is demanded of the province of Ontario, in which, by virtue of his years of experience, he can give to the other Premiers. The hon. Premier of Quebec (Mr. Lesage), it is my understanding, has given him the honour of chairing these meetings. That is a distinct honour to himself and to Ontario, and I hope that the experience and the knowledge and the advice that he has in these matters will be used forthrightly to co-ordinate the efforts of all the provinces and all the Premiers in regard to this very important matter of federal-provincial fiscal policy.

Mr. Speaker, I would like now to turn to a different matter. I would like to take up the consideration of the so-called Eastview case. I think, Mr. Speaker, that the best place to start is at the very beginning.

We are dealing with a town in eastern Ontario, a municipality that is incorporated as a town, not as a city, with a population, I understand, of about 24,000 people. This community has doubled its population in the course of the last 10 years.

That particular town was in default of payment, in 1935 I believe it was, and it was put under trusteeship under the Act in existence and under the supervision of the

Ontario municipal board. That trusteeship continued until 1947.

Now, subsequent to 1947, it was taken out of trusteeship with certain qualifications. I believe the matter of arrears of tax was still under supervision of the municipal board, but for all practical purposes, after 1947, the community was taken out of trusteeship. Then in 1958, a private bill—a bill that has been identified as bill No. 42—was introduced into this House.

Now, at this juncture, I would refresh the memory of hon. members. To do that, I am going to read from the *Hansard* of the day which was March 25, 1958. And I will read rather extensively from that *Hansard* to set the general background for my presentation. I quote:

Mr. G. F. Lavergne moves second reading of Bill No. 42, "An Act respecting the town of Eastview."

Hon. Mr. Frost: I would ask Mr. Speaker to direct the Clerk of the House to read the report from the chairman of the municipal board, and also a letter addressed to the members of the committee by the hon. Minister of Municipal Affairs (Mr. Warrender).

Clerk of the House: In the matter of rule 75 of the legislative assembly of Ontario; and, in the matter of private bill No. 42, "An Act respecting the town of Eastview," in accordance with the provisions of rule 75 of the legislative assembly of Ontario, a copy of the above bill and the petition on which it is founded have been transmitted by the Clerk of the House and the board has accordingly, within the limited time available, caused an inquiry to be made into the allegations set out in the bill, and the financial affairs of the municipality insofar as they can be ascertained at the present time.

For such purpose the board has availed itself of the following sources of information:

(1) The annual reports of municipal statistics as issued by The Department of Municipal Affairs for the years 1952 to 1956 inclusive.

(2) The audit report of the town of Eastview and its local boards for the year ending December 31, 1956, as certified by the municipality's auditors, dated June 4, 1957.

(3) A preliminary statement of the town's revenue fund balance sheet as at December 31, 1957, and a preliminary

statement of the revenues and expenditures of the municipality for the year 1957.

(4) A financial analysis of the affairs of the town for the years 1952 to 1956 inclusive, prepared by the audit branch of The Department of Municipal Affairs showing the variances between actual and budgeted revenues and expenditures for the years 1952 to 1956 inclusive, and listing the major items contributing to an excess of expenditures over annual budgets.

(5) A statement of municipal road expenditures incurred and subsidies paid for the years 1951 to 1956 inclusive.

(6) Detailed information and explanation supplied to the chairman of the board at a conference in his office on March 3, 1958 attended by the mayor, the town clerk, the assessor, a representative of the auditors and the town solicitor.

At that time a detailed statement of accumulated account deficits of the municipality for the years 1955, 1956 and 1957 was supplied by the town solicitor in the amount of \$481,000, including accumulated discount on debentures sold during the 3-year period amounting to \$32,000.

FINDINGS OF FACT:

1. As the town's auditors have not completed their financial audit for the year ending December 31, 1957, and in particular have not verified all of the items shown as current assets on the preliminary revenue balance sheet, the board's findings of fact are necessarily subject to correction after the final audit has been completed to the satisfaction of The Department of Municipal Affairs.

2. Subject to the above, the board finds that the actual accumulated deficit of the municipality as of December 31, 1957, amounted to \$565,000. Included in this amount is the accumulated deficit of the high school board as of December 31, 1957 amounting to \$26,000.

3. The board finds that the current position of the municipality as of December 31, 1957 was as follows:

Current liabilities overdue and unpaid, \$669,779.10.

Current realizable assets, \$104,281.94, for an overall deficit of \$565,497.16.

4. The board finds that the accumulated current deficit has not been caused by inability, neglect or refusal of owners of land in the municipality to pay the taxes due thereon as set forth in the petition, and this was frankly admitted by the repre-

sentatives of the municipality. The use of these words in the petition was apparently due to an error on the part of the solicitor for the municipality.

5. In the opinion of the board, the accumulation of the above current deficit of the town of Eastview has been due to a combination of the following causes:

(a) a failure on the part of the council in each of the past 5 years to prepare and adopt realistic estimates of revenues and expenditures, including any operating deficit for the previous year as required by section 311 of The Municipal Act;

(b) failure on the part of the council during the same 5 years to levy taxes sufficient to raise the net estimated expenditures and the principal and interest payments payable on the debt of the corporation falling due during the year as required by section 308 of The Municipal Act;

(c) failure on the part of the council and the municipal officials to limit current expenditures to the amount authorized in the annual budget or to provide for such excess expenditures by special levy;

(d) failure on the part of the council to levy for substantial deficits sustained on the sale of debentures as required by section 339(3) of The Municipal Act;

(e) failure on the part of the council to levy amounts sufficient for the payment of the county rates including the county's share of the additional levies made under section 51 of The Assessment Act.

6. The board finds on the available evidence and information that substantial current deficits have been accumulating within the past 4 years as follows:

December, 31, 1954	\$ 72,800.00
December 31, 1955	92,355.00
December 31, 1956	253,650.00
December 31, 1957	505,497.00

7. The board finds also that no part of the accumulated current deficit can be attributed to the undertaking of capital expenditures not approved by the board and that all the debentures issued with such approval had been duly sold and the proceeds received prior to December 31, 1957.

RECOMMENDATIONS OF THE BOARD:

(1) In view of the facts disclosed by the board's inquiry the amount supposed to be raised by the sale of the proposed debentures is clearly insufficient to cover the true amount of the floating debt incurred

by the municipality, unless the corporation is prepared to increase the amount to be provided in the 1958 tax levy, or is able to sell the debentures amounting to approximately \$485,000 at a reasonable rate, instead of the amount set forth in the bill. The board therefore cannot recommend that the bill should be passed.

(2) If, notwithstanding the above recommendation, the Legislature deems it desirable that the bill be passed in an altered form, the board submits the following recommendations:

(a) the preamble of the bill should be amended so as to show accurately the correct amount of the floating indebtedness;

(b) section 1 of the bill should be amended to show accurately the true amount of the floating debt;

(c) section 6 of the bill should be amended to provide the provisions of sections 61, 67 and 68 of The Ontario Municipal Board Act shall not apply in respect of the debentures to be issued under the authority of the special Act, and to provide further that no by-law providing for the issue of debentures under the authority of the special Act shall be passed without the approval of The Department of Municipal Affairs;

(d) the board further recommends the Act be amended to provide that so long as any debentures authorized by the Act are outstanding and unpaid, The Department of Municipal Affairs shall have control and charge over the exercise by the municipality and every local board thereof, except the separate school board, of the matter set forth in paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), and (l) of section 33 of The Department of Municipal Affairs Act; and that subsection 1 of section 42 of the said Act, during the same period, shall be deemed to apply to the municipality.

Precedence for the issue of debentures to consolidate floating debt is to be found in the following Acts.

Then are listed a series of Acts. Now, likewise, the Clerk at that time filed a statement by the hon. Minister of Municipal Affairs, dated March 18, 1958, which reads as follows:

Gentlemen. I have now had an opportunity to study the report and recommendations of the Ontario municipal board, in the matter of rule 75 of the legislative assembly of Ontario, and in the matter of private Bill 42, "An Act respecting the town of Eastview."

The recommendation of the board that the bill be amended to provide that so long as any debentures authorized by the Act are outstanding and unpaid, The Department of Municipal Affairs should have control and charge over the exercise by the municipality and every local board thereof, except the separate school board, of certain matters as set forth and noted in portions of section 33 of The Department of Municipal Affairs, and that subsection 1 of section 42 of the said Act should be deemed to apply, was made in consideration of the legislation in effect at this time.

However, it is proposed that at the appropriate time during the present session, to recommend to the House an amendment to The Department of Municipal Affairs Act, which will enable the department to render advice and assistance to the municipalities that can benefit therefrom, both with respect to their financial and other affairs. In this way, I believe the department can render the same assistance as though a municipality was placed under formal supervision, if the municipal authorities are desirous of having and accepting such advice.

It will still remain the right of the department, in the event that a municipality fails to co-operate, to apply to the municipal board that they bring the municipality into the provisions of part 3 of The Department of Municipal Affairs Act.

I would recommend to the committee, therefore, that no action be taken on the final recommendation of the board, that is, the Ontario municipal board, in this matter, in view of the further amendment which it is proposed to submit with respect to The Department of Municipal Affairs.

Now, Mr. Speaker, the amendment that the hon. Minister made reference to, was, of course, an amendment to The Department of Municipal Affairs Act for the year 1958, and specifically, I believe that the pertinent portion of that amendment in 1958, "An Act to amend The Department of Municipal Affairs Act," reads as follows:

The Department of Municipal Affairs Act is amended by adding at the end thereof, of section 9, the following words: "The Department of Municipal Affairs shall have authority to study, report and advise upon the system of municipal institutions and the government and administration of municipal affairs, or upon the government and administration of municipal affairs in any municipalities or any municipality."

Now, Mr. Speaker, so much for the background. My intention at this time is just to set this case in context and in focus. I would interpret the background of this case to be simply this: This particular municipality had, on occasion, been in financial difficulties before the year 1958, as evidenced by the references in the *Hansard* of March 25. It was in difficulties in the depression years. It was taken out of trusteeship in 1947. In 1958, there were further difficulties, difficulties evidenced by the fact that that municipality failed to collect sufficient money each year to pay for its expenditures as required by The Municipal Act.

I do not want to be unnecessarily technical about this. Hon. members of this House will know as well as I know that a municipality is required by The Municipal Act to collect enough revenue each year to pay for its normal expenditures. It is permitted to borrow only for capital expenditures.

The municipality of the town of Eastview failed to do that in the several years preceeding 1958, and therefore it was required to come to the Legislature, to ask permission to pass or enact a special Act, a special bill not provided for by our normal rules and statutes, a bill that would permit them to do a special and extraordinary thing, to issue debentures and borrow money to pay for several years' accumulated deficit.

That was granted, but the conditions of the grant, and the conditions under which that Act was enacted under Legislature, are all-important, Mr. Speaker.

I think it was implicit in what was said, in what was undertaken, that firstly the Ontario municipal board was at disagreement with the hon. Minister. The Ontario municipal board was of the opinion that that particular municipality should have been put under trusteeship in 1958.

The hon. Minister was of the opinion that trusteeship might be tantamount to bankruptcy, and he felt that if he was given certain amendments to The Municipal Act and The Department of Municipal Affairs Act, he could assure the Legislature that those amendments would permit him implicitly to control the financial affairs of this municipality, to assure that the municipality would come out of its difficulties and that they would not recur.

The Legislature was in an understandable position. There was much criticism of this, I acknowledge. But, fundamentally, my recollection is that the Legislature took this position:

"Here is a *de facto* situation. Here is a

situation where a municipality is out approximately \$500,000. There is no place for it to get that money except by borrowing. There is no place for it to get it, except to issue debentures. We will grant that permission. We do not like it. We do not approve of it. But there is nothing else to do.

"But we will only grant it on this condition—on the understanding that the hon. Minister will make it the responsibility of his department to supervise this particular municipality."

He was quite cognizant of the position of the Ontario municipal board. He knew that this board, which has been set up for years to supervise financial affairs, did not like the situation and wanted to take the community under trusteeship.

But his recommendation—and I think that irrespective of the language that was used—his recommendation was simply this: "Give me the opportunity and I will assure that this will not happen again." And with that background, this Act, this bill No. 42, was enacted into this Legislature.

Then, Mr. Speaker, we moved forward. In the summer of 1960, approximately 90 people—90 ratepayers in the town of Eastview—applied under section 15 of The Department of Municipal Affairs Act to demand a provincial audit of the financial affairs of the community. The government, through the hon. Minister, did what it was entitled to do by law, it voluntarily appointed two auditors to investigate the financial affairs. In fact, it took the initiative after this request was made. And then, I believe, on November 17, the report of the auditors was made to the municipality and, subsequently, made public in this province.

Mr. Speaker, it is not my intention in this difficult undertaking to vilify anybody, to be unnecessarily personal. I want to be objective. I want to be forceful.

With that purpose in mind, I would ask your indulgence to read rather extensively from the report, a report which, I submit, is available and I am sure is in the hands of all hon. members.

The first reference which I want to make, Mr. Speaker, in keeping with the background that I have already read, is the profit report which applies to financial administration. It is set out on page 50 of the report of the auditors. And I will read directly from that portion of the report commencing at:

For the past 8 years, the financial administration of the town has been carried on in a most unbusinesslike manner. It

has been poorly planned, poorly directed and for this every member of council must accept responsibility. Having received the approval of the Legislature to fund a deficit existing at December 31, 1957, the council had the unique opportunity and privilege of closing the book on the past and starting out with a clean sheet.

One would have expected that the council would have taken great pains to manage the town's affairs properly in 1958 and 1959, and implement the assurances given to the department by the mayor that the proper budgets would be prepared and adhered to in the future. This was not done.

The administration of the town since 1957 has been marked by the same failure to budget properly or to levy sufficient taxes, the same willingness to spend in excess of the amount provided in the budget and the same propensity to pile up bank loans far in excess of the amounts permitted by the statutes, thereby delaying accounting for their policy.

At the end of 1958 the town had a deficit of \$70,000 and at the end of 1959 this had increased to \$151,000. At December 31, 1959, the bank loans of \$483,000 for revenue fund purposes not only exceeded statutory limitation of 70 per cent of the uncollected revenue, but even exceeded the total revenue fund by more than \$118,000. Notwithstanding section 311 of The Municipal Act, the council made no provision for the 1958 deficit of \$70,000 in the budget of 1959.

It is not evident why the council did not realize there was a deficit for 1958 at the time they were preparing the budget for 1959. According to their evidence under budget procedure, each member was given printed budget forms on which descriptions of the various revenue items and expenditures had been typed in the first column. The second column was for estimates for 1959, and in this column the council was to insert the amount which they decided to provide. In the third and fourth columns the amounts estimated for 1958 and the amounts actually expended for 1958 had been typed in to guide them in making their estimates for 1959.

The council had only to compare the total of the third and fourth columns to see that actual expenditures for 1958 had been far in excess of the estimates.

Before Bill 42 was passed in 1958 to fund Eastview's deficit by the issue of debentures, section 8 was inserted providing

the debenture bylaw could not be passed without the approval of the department. It was understood then by the department that the town would forward voluntarily the proposed budget for 1958 for scrutiny by the department before submitting the debenture bylaw for approval.

However, the budget was adopted, the levy bylaw was passed, and the tax roll prepared all without prior reference to the department and before the department was asked to approve the debenture bylaw.

Before doing so, the department sent its representatives to Eastview, on May 1, 1958, to examine the budget as adopted. It was found to be cut too close and this was pointed out to the mayor, who evidently maintained they would not over-extend the amounts provided in the budget.

There was not much value in this assurance because the council proceeded to spend freely during the remaining 8 months of the year with the result that actual expenditures exceeded the budget by \$71,000.

The major item contributing to this expenditure was street repair. The amount provided for in the budget for resurfacing, patching, and dragging was \$28,000, whereas actual expenditures exceeded \$71,000.

In 1959, total expenditures exceeded the amounts provided in the budget by approximately \$130,000. Again the major item contributing to this expenditure was street repair. For the street repair programme—resurfacing, patching, dragging—the council provided \$37,000 in its budget and then spent slightly more than \$96,000.

In her evidence the treasurer stated she had warned against additional expenditures when the budget was already spent and they spent more money nevertheless.

The failure to budget properly and to take adequate levy each year, coupled with the council's continued overexpending resulted in repeated borrowing from the town bankers, which, in turn, resulted in a growing burden of interest charges. This indicated the council had learned little about financial administration from experience prior to 1958 or from the severe criticism given it during the discussion of the 1958 private bill.

Because of their significance in this matter, the provisions of section 341 of The Municipal Act with the exceptions of 5 to 8 inclusive are set out below:

"A council may by bylaw, either before

or after the passing of the bylaw for imposing the rate for the current year, authorize the head and treasurer to borrow from time to time by way of promissory notes such sums as the council may deem necessary to meet, until the taxes are collected. The approved expenditures of the corporation for the year include the amounts required for sinking funds, principal and interest falling due within the year upon any debt of the corporation, school purposes, special rates and any board commission, board or body and other purposes for which the corporation is required by law to provide.

"If the council authorizes the borrowing or borrows any larger amount than is permitted under this section every member who knowingly votes therefor shall be disqualified from holding any municipal office for two years."

Although section 341 is one of the most important in The Municipal Act and should be familiar to all members of council, and particularly so to the finance committee, all claimed they knew nothing about it.

From the evidence, there is no doubt that the other members of council were content to shelve their responsibilities by relying on the mayor. It was stated by some that whatever the mayor said was taken for granted as being correct. As head of the council, the mayor, of course, had a special responsibility. However, the mayor also professed ignorance of the provisions of section 341 on the requirement of Ontario municipal board approval before borrowing in excess of 70 per cent and of the amendment to this section.

Now, Mr. Speaker, these are set forth by way of background. It is my intention to make more and specific references to this report.

But at this juncture I would stop, Mr. Speaker, and point out to you the situation we have now after the report has been made public in the fall of 1960. It is simply this:

Between 1958 and 1960 this community continued to do exactly what it did prior to 1958. It continued to spend more money than it collected. It continued to fail to levy and to meet its obligations. It continued to violate section 341 of the Act.

And this indication that the community would continue to do as it did in 1958 was apparent—not in 1960—but in the very fall of 1958 when The Department of Municipal Affairs went into the community to investigate and found that their bylaw, they intended to pass and enact in the spring of

1958, provided for an insufficient sum. They had not met their undertaking to the department that they would present the bylaw for approval to The Department of Municipal Affairs before it was enacted. They proceeded in the same way as they had before.

What greater indicator was there that this community had not learned its lesson? And yet, between that time and the year 1960, these deficits continued in increasing amounts.

Now, Mr. Speaker, it does seem to me that The Department of Municipal Affairs must bear the responsibility here. We believe in good government. We believe in constitutional government. We believe in a government that makes an hon. Minister responsible for the activities of his specific department. And the very thing that we did in this Legislature in the year 1958 was in effect to say to the government opposite and specifically to the hon. Minister:

"All right, we acknowledge an unfortunate thing. We have complained that The Department of Municipal Affairs and The Municipal Act are not sufficient to safeguard the interest of the local taxpayer. And here is an illustration of it. But we cannot do anything about it. They are \$500,000 in debt and we must provide money for them.

"We will give you authority. We will pass this Act. We will permit you to borrow the money, but be sure it does not happen again and we will not expect this community to put itself to the inconvenience and to the humiliation of putting it in trusteeship. But we do hope that the Act you have requested and the amendment you have requested, Mr. Minister, will be enough for you to take whatever action necessary—the type of action that is comparable to trusteeship, the type of action that will assure the situation does not get worse."

And yet, it got immeasurably worse, Mr. Speaker, while I speak very forcefully, I speak very determinedly. I am not accusing the hon. Minister opposite of any personal culpability. I do not feel that way. It is not part of my system.

But I do say that we have a system of government that makes a man responsible for the policy and administration of a department, and when something goes wrong it is his responsibility that is at stake. And herein the department has failed this Legislature. It has failed the people of Ontario and the hon. Minister must accept that responsibility.

Hon. W. K. Warrender (Minister of Municipal Affairs): May I say something before he finds me guilty, or is the hon. leader of

the Opposition just going to come to that conclusion?

Mr. Wintermeyer: Well, Mr. Speaker, there may be facts left out. I am not one who will prejudge and I will give the hon. Minister all the opportunity—

Hon. Mr. Warrender: That is exactly what the hon. leader of the Opposition is doing and what he has done.

Mr. Wintermeyer: I took great pains, great pains, Mr. Speaker, to do nothing more than quote from the report. Now it may be that the report is inconclusive. It may be that the hon. Minister has an explanation to make beyond the report. Surely he should have that opportunity. But I do not know that he should take the opportunity now and disrupt my presentation. I will gladly give him—

Hon. Mr. Warrender: I will go no further except to say to the hon. leader of the Opposition, let him not find me guilty until he hears all the facts.

Mr. Wintermeyer: Mr. Speaker, I will not do that. All I say now is that we are not in a court of law at this time. We are in a legislative body, an institution that has grown up with great historical background over a long period of time, and that has as one of its essential characteristics the responsibility of a departmental head for malfunctioning of a department.

Now that is all I am saying. I am simply saying that the evidence would not indicate that the hon. Minister did anything personally culpable. There is no evidence of it. All I see is lack of administration, lack of an undertaking to carry out his promise in 1958, lack of assurance that what we expected of him in 1958 would be done.

The only evidence I have is the report which says the same things that occurred before 1958 continued after 1958 in the same manner. The report itself says that. And that is my evidence, Mr. Speaker. I have none other.

But I would remind the hon. Minister that this is not a court of law. We are not trying him personally. We are trying our system. We are asking that the normal rule of a legislative body be applied, that he bear the responsibility of any malfeasance of the department, any failure of the department to do what was expected. The evidence would certainly indicate that not enough was done—whatever was done—to avoid the very thing

that occurred before 1958 from recurring after 1958.

I feel strongly about this, because this is part of the pattern. We have had Belleville. We have had York township. We have had Arnprior and we have had this community. And always we have complained about the patchwork position of the department in regard to reform of municipal affairs. We need something more.

I fundamentally feel, Mr. Speaker, that the municipalities are not an independent economic group. They are the children, if you will, they are the agency of this legislative body. They are the agency of the provincial government. And we have an obligation, Mr. Speaker, to the taxpayers in each municipality to assure that the elected municipal representatives who administer the municipalities actually carry out their responsibilities. That is the responsibility of The Department of Municipal Affairs and that, without being vindictive about it, is the job of the hon. Minister—and he must stand or fall on the performance of his subordinates.

Mr. Speaker, may I continue now to several items and several matters that appeared in this report before the financial discussion to which I alluded a little while ago? The first matter to which I would make reference are the dealings in municipally-owned land in this community of Eastview. And there I would refer to and read from page 16 onward under the heading "Dealings in municipally-owned lands":

One important matter affecting the financial affairs of the municipality is the manner of dealing with land which may be acquired by the municipality under the provisions of the various statutes in that behalf. We therefore extended our inquiry into this field and ascertained that in the case of Eastview land had been acquired under 3 main headings. In the first place, under section 26 of The Planning Act; secondly, under tax arrears; and thirdly, street closings.

Now you will recall, Mr. Speaker, that under The Planning Act it is required to set aside—and I am speaking very informally now—I believe 5 per cent of each subdivision land for public purposes. Land would accumulate to the community in that way.

This report will deal with the disposition of such land. It will deal with the disposition of land that arose as a result of tax arrears and as a result of street closings.

Now the report is rather voluminous in this

respect, but one indication, one common denominator that runs through this portion of the report, is the simple fact that at no time did the municipality have an independent appraisal made to ascertain what price the town should obtain for any particular parcel of land sold.

Mr. Speaker, what follows is simply this, an analysis of those parcels of land that have been sold over the last 10 years for less than the appraised value. In each instance the auditors have come to the conclusion that these lands were sold for substantially less than what the appraised value of the land would have been had an appraisal been made.

The first reference is made to one lady in the community. She bought her land in 1953; she paid \$200. The report indicated that an appraisal of the land at that time would have suggested the land was worth about \$1,000, or at least \$500 to \$600. The significance of this is that I believe the lady in question was related in some way to one of the municipal officials.

Mr. Speaker, that was in 1953. The same sort of thing happened with respect to a Mrs. Roberts, who was the wife, Mr. Speaker, of Mr. Roberts, now the reeve of the community. In her instance, she purchased a parcel of land for \$375 which was found to be worth about \$1,500.

And then a Mr. Kelly exchanged lands in 1952, parcels of land that varied substantially in their evaluation, a difference of upwards, I think, of something like \$20,000. But those situations existed prior to 1958.

Now, Mr. Speaker, what I wish to draw to your attention is that after our private bill in 1958, after bill No. 42, this thing continued. In August of 1959, one Mr. Brunet acquired a parcel of land for \$1,000, a parcel which the evaluators determined was worth somewhere in the neighbourhood of \$6,000.

I point this out because again a Mrs. LaBelle acquired a parcel of land—at least she entered into an agreement to acquire a parcel of land—for \$1,000 that supposedly was worth \$13,000 to \$15,000. This transaction fortunately was not completed. It was a parcel of private subdivision, and The Department of Planning and Development did not approve the disposition the contractors made.

Regarding all these, it seems inappropriate to leave the discussion without pointing out, Mr. Speaker, that these parcels of land sold by the community were sold without appraisal. No appraisal was made. The

Department of Municipal Affairs seems nowhere in the picture.

Surely it should have been cognizant of some of these things. Surely the department, having the experience before 1958 in the matter of trusteeship, should have exercised what the Ontario municipal board would have exercised, jurisdiction over this sort of thing. They should have been on the lookout more than they would be with other communities. The municipal board would have located these irregularities, would have located these shortcomings in administration. Why did the department not do the same with respect to these sales after 1958?

Mr. Speaker, that is not all. There is the matter of land sales that I have referred to. There is the matter of a particular company—a company that was incorporated, Garcharl Investments, a company that included people that were closely associated with the municipality, people who occupied important positions in the municipality, including the mayor. These people dealt in lands, in the investment of lands, according to the report.

Surely there should have been some of this information available to The Department of Municipal Affairs. Surely The Department of Municipal Affairs should have been suspicious of this situation. And yet this company, in conjunction with its subdivisional activities, was permitted the convenience of having the servicing of the subdivision—the lands, the roads, and such-like—financed for a period of time by the municipality before the company was required to repay the municipality for that particular work done on the subdivision.

Normally this is not the thing that is done—I am not saying that this is a great issue in itself—but it is indicative again of the lack of adherence to the rules and regulations of municipal conduct. And yet The Department of Municipal Affairs seemed to know nothing about it.

In the matter of fixed assessments, Mr. Speaker, we have an instance where one of the municipal officers, the proprietor of the Eastview hotel, I believe, had a fixed assessment for a long period of time, far less than the assessment that one would have expected. Normally fixed assessments must be approved by the provincial government. There was no approval here. The community lost money as the result of these fixed assessments.

A hotel normally is not entitled to a fixed assessment—that is the privilege of an industrial or manufacturing company, not a hotel—and yet The Department of Municipal Affairs knew nothing about it, and did not terminate this practice, which again is contrary to the

rules of The Municipal Act and the rules set down for the conduct of municipal activity.

You have the instance, Mr. Speaker, at page 38 of the report, of contracts and rentals between people who were closely associated with the Garcharl company. Let me read, Mr. Speaker, part of this particular report which might emphasize it more effectively, under the heading "Contracts and rental agreements":

One of the matters of complaint of the petitioners for this inquiry was the large increase in the cost of garbage collections and disposal. It appears that prior to 1955 the town had operated its own garbage collection system. In some manner which remains rather obscure, council decided to contract with a contractor for this service and this came to the attention of Mr. Golland and, as a result, he offered his services.

Now, the same man had previously been in the business of installing pumps and service stations, and in connection with that business had dump trucks, a bulldozer and jeeps, which equipment could conceivably be used in garbage collection and disposal.

Early in 1955, a contract was entered into between the town and Golland. It seems clear that tenders were never called for this contract. We were not able to ascertain the basis upon which this particular contract was negotiated, although we used our best efforts to do so. This contract provided for the operation of a system of garbage collection by Golland for which he was to be paid the sum of \$22,000 per year.

Then this rather strange provision appears in the contract: "This contract to be in force for a 5-year period, revisable every year." Even if it were possible to interpret this clause correctly, we do not believe it is within our jurisdiction to do so. We mention it here only for the purpose of pointing out that if, in fact, the contract is one extending beyond the current year, it would require the approval of the municipal board, under section 67 of The Ontario Municipal Board Act, which was never obtained.

After one year's operations Golland ascertained that his profit was small. And so he went to council and renegotiated the contract on the basis of 11 cents a family a week, an estimated 5,600 families. No tenders were called at this time, nor indeed on any of the contracts made with Golland. Again the same clause as to the 5-year revisable every year was inserted.

Now at the end of one year and in anticipation of the dump being moved, Golland went to council again and renegotiated the contract, and this at 15 cents per family on the basis of 5,900 families.

This man, Mr. Speaker, I would draw to your attention, is likewise a member of the investment company, the Garcharl Investment Company, to which I made reference earlier.

We have an instance here, Mr. Speaker, where contracts were made by the municipality without calling tenders, presumably to friends of members of council. This is not a healthy circumstance. This is the sort of thing that I would have hoped The Department of Municipal Affairs would have been on its toes about, would have been investigating, would have been concerned about. And yet nothing about this, until this audit had to be inaugurated—had to be brought about by the initiation of irate ratepayers—and came to public attention.

And then we have, Mr. Speaker, the instance where the council members were concerned about—in the year 1959, I believe—their remuneration.

You know as well as I, Mr. Speaker, that under an amendment of this body in 1959, councils were permitted to pay themselves in different fashion than heretofore. It was permitted that they pay themselves either by so much per meeting—which in the instance of Eastview was, I believe, \$8 per meeting—or on an annual basis. Now in that community in the latter part of 1959, instead of passing a bylaw increasing their indemnification and conducting that business in a normal fashion, they passed a resolution which I would draw to your attention, Mr. Speaker, on page 43, I believe, of this particular report.

The resolution moved and duly seconded that the treasurer be instructed to repay the members of council to the amount of \$3,200 out of the fund for receiving distinguished guests as this amount was fully expended by various members on behalf of the municipality.

This, Mr. Speaker, in December of 1959—this approximately a year and a half after this Legislature anticipated that The Department of Municipal Affairs would exert the same type of control, influence and direction of financial affairs as though the municipality was under trusteeship.

Now, Mr. Speaker, I draw these things to your attention seriously. I feel herein we have a matter that must be a subject of serious debate.

I said earlier that it is not my intention to come into this House and prejudge the conscience of any man. I do not intend that, and I do not intend to do it in this instance with respect to anybody; the members of council, the members of government, or any other person.

But I do come here as the leader of the Opposition, and I do come here to say to you, Mr. Speaker, that in this instance we have a situation that is unpardonable from the municipal level.

I do not think under any stretch of the imagination we can permit the type of conduct that existed in that municipality to continue any length of time whatsoever. It is our responsibility to enact laws now and at this session which will preclude men of the temperament of the gentlemen who were in charge from continuing to operate any municipality.

I believe this very strongly. I must emphasize again, I am not prejudging these men. I am saying that if they do not have the competence to administer a municipality, then we are downgrading our concept of democracy by permitting them to continue, and we cannot leave that determination to the ratepayers. We are doing a disservice to the local ratepayers to permit them to assume the responsibility that we should assume at this level. That observation I make.

Therefore, Mr. Speaker, one of my first recommendations is that this government give immediate consideration to the type of legislation that will assure that persons who are either incompetent or unable to manage the affairs of the community efficiently be required to resign and quit their posts as municipal officials. Unless we do that, we are doing a disservice to the municipal institutions in the province of Ontario. It is our responsibility to enact laws to govern them, and I recommend that immediately.

Then, Mr. Speaker, I come back to my first proposition. I do this with a certain amount of personal regret, but I do it in the realization that again good government in Ontario means something. It means simply that people who are responsible assume that responsibility. And I personally feel that every hon. member in this House, irrespective of the phraseology of the amendments in 1958, expected that the hon. Minister of Municipal Affairs and even the hon. Prime Minister in his government at large, would do more for the municipality of Eastview by way of supervision of its financial affairs than was ever done before the year 1958.

I understood them to mean: "We will do

the same thing as though this community was put under trusteeship, but we do not want it under trusteeship for the simple reason that it will embarrass the community and create the impression that the community is bankrupt and it is not bankrupt. But leave it to us and we will do something and will assure that these things do not continue."

But in spite of that assurance, Mr. Speaker, the opposite occurred. Things grew worse. We have a situation where a deficit now has accumulated just as it accumulated in the years prior to 1958. It accumulated in 1958, it accumulated in 1959, and I understand it has accumulated in 1960. We cannot permit that to continue. Section 341 of the Act says that any community or any municipality wherein that is permitted to happen with the knowledge of the municipal officers, those municipal officers are precluded from holding office for a period of two years.

Think of the seriousness that this Legislature at one time attributed to this type of activity, and yet The Department of Municipal Affairs either knew nothing about this continuing difficulty, or if it knew, it failed to act.

They are equally serious! If the department knew, it should have done something about it. If it did not know, the question is: Why did it not know?

This was not an instance where all was going well, where all had gone well for a long period of time. Here was an instance where we knew there was financial difficulty, where we knew this community was in certain financial restrictions. Yet, in the years 1958 and 1959, nothing took place by way of demonstration from The Department of Municipal Affairs that the department was cognizant of what was going on, or in fact that it took any steps to remedy the situation.

When this matter was publicized on November 17, I made this statement, and I repeat it now:

The Eastview report just released is one of the most critical reports of municipal and provincial administration that has been made public in a long while. The mismanagement of the affairs of the town of Eastview by the mayor and council and other public officials is reprehensible. It is inconceivable how these municipal officials can continue to be of public service.

The substance of the report does not deal with the responsibility of The Department of Municipal Affairs in this matter. I wish

to point out that the financial crisis in Eastview did not begin in the year 1960 but instead began several years ago. In 1958, the town of Eastview asked the provincial Legislature to enact a private bill to authorize the town to borrow money to repay current expenses for which the town had not budgeted.

The Legislature, realizing that the town had done an illegal act, was reluctant to grant this permission. The Ontario municipal board, which normally advises and guides both the government and the Legislature in matters of this sort, advised that the Legislature should not enact the private bill. The hon. Minister of Municipal Affairs then undertook to the Legislature that his department under law would exercise its powers to supervise the activities of the town of Eastview so that the financial difficulty would not recur.

The Ontario municipal board advised that the town should be put under trusteeship. The hon. Minister of Municipal Affairs advised the Legislature that the powers of The Municipal Act were sufficient to permit The Department of Municipal Affairs to exercise control over the affairs tantamount to trusteeship.

As a result of the persuasion of the hon. Minister of Municipal Affairs, the private bill was enacted in 1958.

One-and-a-half years later, a public inquiry demonstrated in the report which has now been made public that the mismanagement of the affairs of Eastview continued after 1958. There is no indication that the department intervened in the supervision of the affairs of Eastview as it had promised.

Here, again, as in Belleville, in York township, The Department of Municipal Affairs has not exercised the responsibility that is incumbent on it. In Eastview the department failed the Legislature, it failed to undertake the responsibility which the hon. Minister said it would undertake. It is difficult to escape the conclusion that the department acted contrary to its better judgment in 1958, in order to assist one of the Progressive-Conservative members of the government.

In the years 1958 and 1959, the department failed the Legislature and the people of Ontario when it neglected to supervise the affairs of the town of Eastview and permitted the financial difficulties which existed and were known several years ago to be compounded. The Department of Municipal Affairs must be charged with

negligence in the strongest possible terms. The hon. Minister, as head of the department, must accept his constitutional responsibility for any mismanagement by the department. Today there is no alternative except that the hon. Minister acknowledge this responsibility and resign.

Some hon. members: Hear, hear.

Mr. Wintermeyer: Now, Mr. Speaker, I move—

Hon. Mr. Frost: He did not prejudge the case then?

Mr. Wintermeyer: I beg your pardon?

Hon. Mr. Frost: The hon. leader of the Opposition did not prejudge? I am referring to the statement. I hope it clarifies things for me.

Mr. Wintermeyer: Mr. Speaker, I would have expected the hon. Minister to reply before now. I would have expected the hon. Minister, in whose hands I am sure this report was for many days before its publication, to have made an explanation. Surely, Mr. Speaker, the hon. Minister would expect the people of this province to accept the report at face value, and, for the world of me, I cannot but repeat what I have said again. This is not a personally vindictive position on my part. It is simply, Mr. Speaker, that the hon. Minister bears a constitutional responsibility to exercise authority. And I suggest that in this instance I cannot for the world of me—unless his explanation is that he knew about this, that he was in there—see how it can be demonstrated that the hon. Minister did what was expected.

He might say that he did not intend to do anything in 1958, except to leave it up to the resources of the municipality. I would have hoped that the hon. Minister would have expected, after 1958, to have people in there constantly.

Hon. Mr. Warrender: I do not intend to interject, but at the appropriate time I shall make a full explanation which I think will satisfy even the hon. leader of the Opposition.

Mr. Wintermeyer: Now, Mr. Speaker, I move, seconded by Mr. F. R. Oliver, that the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor, now before the House, be amended by adding thereto the following words:

But this House,

1. Regrets the government's failure to propose

(a) specific measures to provide work

and income immediately for persons unemployed in Ontario, today, and

(b) specific measures to minimize the increase in unemployment which is predicted for the coming winter;

2. Regrets that the government has not recognized its responsibilities nor exercised its authority as a parent government in guarding the welfare of municipalities, as shown in Belleville, York township, Eastview, and others;

3. Regrets that the hon. Prime Minister's unrealistic demands at the recent federal-provincial conferences, and his failure to enlist the support of other Premiers in securing higher rates of rebate in the direct tax fields, cost Ontario an opportunity for additional, badly needed revenue;

4. Regrets the government's failure to cope with the many problems of serious concern to Ontario farmers;

5. Regrets the government's failure to introduce a comprehensive medical care insurance plan.

Hon. L. M. Frost (Prime Minister): After listening to that amendment to the motion, I would say, Mr. Speaker, that I might almost feel inclined to throw up my hands. It reminds me of an old army friend of mine many years ago, who, beset with many difficulties in relation to discipline and other things, said, "I will the sponge throw up." He happened to be of our great sister race in this country.

However, sir, in order that I may get my bearings, and my breath, and see if there are any bright spots in the great pall of gloom which the hon. leader of the Opposition (Mr. Wintermeyer) has drawn, may I first of all extend my compliments to you. May I say, sir, that I agree with everything, my hon. friend has said about you, your abilities and your impartiality. I would say, sir, that you make a great Speaker of an honourable assembly which has a long record of service.

Also, sir, I would like to extend my compliments to the mover and seconder of the motion of thanks in reply to the speech from the Throne.

First of all, might I say to the hon. member for Lanark (Mr. Gomme), who was drawn into making his contribution at the eleventh hour and the fifty-ninth minute, that he made a very fine address to this assembly.

To the seconder, sir, the hon. member for Simcoe Centre (Mr. Evans) may I say the same thing.

He is a young man from a distinguished

family in the great riding of Simcoe Centre. His family goes back to the first days of that area, to the first days of the township of West Gwillimbury, of which I think it forms a part; at least it is in the neighbourhood. I may say, sir, that he made a very fine presentation to this House. I am sure that in future this young hon. member will continue to make contributions to this House, and be a worthy successor to the great George Johnston, who became "Mr. Simcoe Centre" himself.

There are many matters on which I could address myself in this great document, the Throne address, which presents a great and challenging programme to this province and to this House.

It is a programme, sir, that the hon. leader of the Opposition has seen fit to bypass entirely and to talk about subsidiary issues. I am not saying that the things he talked of were not of importance, but, may I say to my hon. friend that I feel in his presentation he has neglected the great opportunity of speaking about Ontario and her great possibilities and prospects.

In connection with the Eastview matter I propose, subject to certain comments that I want to make, that I leave this to my able friend, the hon. Minister of Municipal Affairs (Mr. Warrender) to deal with. But I would, sir, be glad if the official Opposition would really become oriented and would really know what course and what direction it is going to take.

As a matter of fact, the hon. leader of the Opposition now asks that we pass measures that regiment and control the municipalities. My hon. friend has departed from the cry of autonomy in which he and his hon. colleagues used to indulge, and now he calls for a policy of regimentation.

My recollection is that the hon. gentleman, who sits immediately behind him, not so very long ago referred to, and was complaining about, the operation of the municipal board and the operations of The Department of Municipal Affairs. He decried the fact that they were treating the municipalities like children.

Since Ontario has 1,000 municipalities we have had some inevitable difficulties arising from the great growth of this province, and I will mention that in a moment.

We now have the cry to turn from municipal autonomy; from the right of people and electors to run their own business, and municipalities to run their own affairs.

We now hear a demand advanced by the Opposition to turn back the clock, turn away

from autonomy, turn away from these things that we have been trying to develop, and, because there are some difficult spots, to turn again to regimentation and strict control, treating the municipalities like children. That is the only way we can sum it up. As for the municipalities, and I say this generally, the sound way to deal with them is to give them responsibility. Give them all the help and advice we can and, in so doing, develop local autonomy and responsibility.

Down in Cornwall I spoke to a group of civic officials of the mayors' and reeves' association on that very subject, and I would be glad to send the hon. members opposite a copy of my address.

I am bound to say this, sir, that when you accept that principle, of course you are going to have some hard spots. But, I want to point this out to my hon. friends opposite. Take for instance the town of Eastview. Here is a community which had its beginnings as a little French-Canadian town on the banks of the Ottawa river; a little community of some 4,000 or 5,000 or 6,000 people. For generations, it has conducted its business without any significant changes taking place. All at once, it is struck with a great upsurge of Ontario development and that little community, in a short period of time, grew overnight from a population of almost 5,000 or 6,000 to something of the order of 20,000 or 25,000 people. We have this community with a great surge of other people coming in. The background of the community changes.

What have we got when we look at it? We find this. Here is a municipal organization. Look at Eastview in the past, the Eastview that has been known in that region for generations. These people ran into difficulty from an administrative standpoint; I am quite pleased to admit that.

On the other hand, I am bound to say this. I have read the report and I would say to the hon. Minister here that I think his department has done an excellent job. In fact, the hon. Minister should be commended for producing such a descriptive and an informative report rather than being abused and asked to resign over it. It would seem to me that there should be some compliment for such a report. However—

Some hon. members: Hear, hear.

Mr. R. M. Whicher (Bruce): Give him the George medal.

Hon. Mr. Frost: As for the organization they have there, I gather from the report

that the cost of operation is extremely low compared with communities of similar size. I think probably it was false economy not to set up an organization that is more in keeping with its growth and size. Still, the town's affairs are in good condition, according to the report.

Interjections by Opposition hon. members.

Hon. Mr. Frost: Both batches of the Opposition, the right and the left, might just remember that the jury of the people will be tapping them upon their shoulders shortly, in the form of the people of Eastview who might consider that it would be a great deal better if the hon. members would leave the matter to them, without making political speeches in this assembly.

Interjections by hon. members.

Hon. Mr. Frost: I would ask hon. members of the Opposition to restrain themselves. I think the people of Ontario are very sensible and the people of Eastview are pretty sensible people too.

Despite the errors of the past, despite the fact that they were in financial difficulty some 25 years ago and despite the difficulties of 1958 and 1959 and 1960, I still think that those fine people down there are capable of running their own affairs.

Later we will be dealing with the matter of municipal autonomy. I shall be mentioning more about the address to be given by my hon. friend, and shall deal with it at that time. The hon. Minister of Municipal Affairs, I believe, will be quite capable of dealing with the matter when it is his opportunity to say something.

Mr. Speaker, I want to deal this afternoon with some matters, the main part of what I was going to say having been given over to the debates of yesterday afternoon. Nevertheless, I think, sir, that I can still confine myself to the great compass of the Throne address along with some other matters which I believe can be discussed in this House.

Sir, I would first of all like to say to the House on this, the 29th day of November, that I feel very different this afternoon than I did when the House dissolved last April. I may say that, in the meantime, I have, as leader of the government and the government party here, been reinforced by the endorsement of the people of this province.

During that time I have had two matters affecting, I think, quite frankly, the integrity of the government; and my own integrity because I placed myself on trial in putting those two matters before a Royal commission.

There have been reports to which I want to refer, not, however, as wholly as did my hon. friend in connection with the Eastview matter, but I would say to him, more relevantly.

At that time, a statement had been made in this House reflecting upon the government and its integrity. At the same time, the government had ordered two investigations under The Public Inquiries Act, and, as the House adjourned, people from outside spoke to me about the investigations and all of these charges.

Now, sir, I want to be quite frank with the House in stating that I did not take such statements and allegations lightly. These statements of last February, March and April were cutting, and they were hurtful, and they were intended to be so. I must say that their effect on me was as they were intended to be.

In my time, in public life, I have endeavoured, and I think I have succeeded, to uphold the dignity of public life, and that is what I propose to do. I must say that it is hurtful to me to see and hear those who are careless with the honour and the dignity of this or any other Parliament.

The appellation "honourable member" is more than a mere matter of form. The members of this House are honourable members and they are so elected. They are so regarded and they must be so regarded.

As a matter of fact, in the traditions of public life, this has been very jealously guarded. It has been a condition that if a member makes an allegation imputing dishonesty or dishonour against one of those sitting with him, he should be prepared to resign his seat in support of his allegation. That is the way British traditions have worked in this and all other Parliaments of the Commonwealth.

I recall clearly a very well-known case in this regard which I could refer to the House. In 1924, the member for Hastings, Mr. E. Gus Porter, made some charges against the then Minister of Labour at Ottawa, Mr. Murdoch. Some of my hon. friends opposite will remember quite well that it concerned withdrawal of certain funds from the home bank which was about to close its doors.

It was alleged that the Minister had knowledge of the imminent failure of that bank because of his connection with government, and accordingly Mr. Porter made these charges. He resigned his seat after making the charges and it should be pointed out that the people of his riding did not sustain him

in the charges he made. He was defeated in the subsequent by-election.

All I can say is this, that what was done then was in the highest and best traditions of our parliamentary system.

I come here this afternoon, as I say, first of all supported by a verdict of the jury of the people in two great constituencies in this province: one in the north and one in the south, Temiskaming and Simcoe Centre. There the people gave this government endorsement and vindication.

I am not given to boasting over electoral victories. I have had my share of endorsements, to which the hon. member for Lanark referred. I have never in this assembly, or elsewhere, treated that endorsement with anything more than humility. But, I am bound to say that these vindications and these endorsements were indeed heartening and encouraging.

First of all, sir, after the fullest of hearings, the first Royal commission reported. His honour Judge Ian M. MacDonnell completely vindicated the hon. Minister of Labour (Mr. Daley) and found on the evidence that he did nothing illegal, immoral or improper in buying the property in question. I must say that this complete vindication of an old friend and colleague, a Minister of this House, with whom I have sat for more than 17 years, was pleasing and heartening beyond words.

Some hon. members: Hear, hear.

Hon. Mr. Frost: Subsequently, on November 1 last, the hon. Mr. Justice McGillivray made his very exhaustive findings in relation to charges relating to the purchase of lands in the city of Sarnia by the Hydro-Electric Power Commission of Ontario.

In this case, his honour found that there was no substantiation of any allegation of impropriety, negligence or careless judgment on the part of Hydro or its officials. As I stated at the time, the people of Ontario had reason to view with satisfaction the standards of public service set and maintained in this province, both by its elected representatives and its public servants.

The standards are high and they are well maintained. Few indeed are the cases in the public life of this great province, in its many facets, in which there have been failure.

I had felt last session that both of these matters, sir, could be disposed of by committees of the House where these matters could be determined in accordance with British parliamentary practice and procedures.

Unfortunately, it appears—and I say this

to the Opposition—that these matters involving the honour and integrity of individuals were going to be influenced by political consideration.

In other words, fair trial by the hon. members of this House is not going to be possible. That is a commentary on the Opposition sitting here today, and I think it is perhaps something they had better get down and think about.

It seems to me that the result of these inquiries is such that the House is well justified in considering, now, how desirable it is to get back to the atmosphere which ought to characterize a Parliament where the people of this province, in their wisdom, send honourable gentlemen to conduct their business.

Again, imputations of bribery, graft and dishonest motives and intentions and dishonest digression should only be made when a member making such charges is prepared to stake his own reputation and his own seat on the principles of the allegations he makes. That is Parliament—

Some hon. members: Hear, hear.

Hon. Mr. Frost: May I say that I much deplore the methods which have been adopted by both of the Opposition parties. Now, having criticized us very forthrightly, I presume hon. members of the Opposition do not object to us criticizing them and their methods.

I deplore the methods which have been adopted by both of the Opposition parties in, as it were, making their parties and the hon. members thereof plaintiffs and prosecutors. This is an innovation which is new in my experience, and wholly undesirable.

Mr. D. C. MacDonald (York South): What is the hon. Prime Minister doing here, then?

Hon. Mr. Frost: I am not referring to the Opposition group maintaining a watching brief, such as referred to by the hon. leader of the Opposition last March. But when hon. members of this House put themselves in the position of being plaintiffs and prosecutors, this is wholly undesirable.

Now take the matter of the hon. Minister of Labour, a member of this House. The hon. member for Sudbury (Mr. Sopha) was appointed as counsel for the Liberal party. I have never heard of such proceedings. The CCF group was also represented by a counsel who is not a member of this House. The hon. member for York South appeared in person. All these people that I mentioned were

prosecutors. These counsels and these hon. members made allegations and submissions against the hon. member for Lincoln, the Minister of Labour. If agreed to by the judge, these allegations would undoubtedly have meant that the hon. Minister would have had to retire from public life. This in my judgment is directly opposed to the principles of parliamentary life. An hon. member in this House who is counsel for the Liberal party and acts as a prosecutor is, of course, making charges for himself personally, and for every hon. member in this House—

Mr. MacDonald: Complete nonsense!

Hon. Mr. Frost: —I would say that this is completely undesirable, completely undesirable.

Mr. E. Sopha (Sudbury): I said the most complimentary things about him.

Hon. Mr. Frost: I would say that this is a violation of the tradition—

Mr. Sopha: I made no charges and I do not know where the hon. Prime Minister got his information.

Hon. Mr. Frost: It seems to me that the Liberal party were condemning the hon. Minister and were arguing that he was guilty of things which could have caused his retirement from public life. This great party might well have made its case known to such an impartial counsel as Mr. C. F. H. Carson, known and famed for his impartiality and his eminence as a counsel and a lawyer.

My hon. friend, the leader of the Opposition, is bound to agree with what I say.

Mr. Sopha: May I rise, Mr. Speaker, on a point of personal privilege?

Interjections by hon. members.

Mr. Speaker: Order. Order. State the point of privilege.

Mr. Sopha: My point of privilege is this, that the hon. Prime Minister, the leader of this House, has stated in the most general terms about me that I have made accusations against the hon. Minister of Labour. He states nothing specific, Mr. Speaker, that I said, and I say to this House, with the deepest sense of sureness, that I said the most complimentary things about the personal character of the hon. Minister of Labour at that hearing. And—

Interjection by hon. Mr. Frost.

Mr. Sopha: I said that the hon. Minister was in no way morally at fault in anything he had done, and the records, sir, will disclose those remarks of mine.

Interjections by hon. members.

Mr. Speaker: Order! Order!

Hon. Mr. Frost: Sir, the hon. member made those allegations and the learned judge found that they were unfounded and unsupportable. The hon. member who made those allegations was found to be wrong. I would say to my hon. friend that he should never be in the position of being a prosecuting counsel against a fellow member of this or any other Parliament.

Some hon. members: True, true.

Hon. Mr. Frost: If an hon. member of this House desires to make charges against the hon. Minister of Labour, he is, of course, entitled to do so and he should have counsel, but he should be prepared to accept all the obligations which go with one hon. member making a serious charge against another. This, I think, is fundamental. It is the duty of every hon. member of this assembly to protect the honour and the reputation of another, unless he deems it to be his duty to undertake the grave responsibility of making charges in the form which I mentioned.

Mr. Sopha: The hon. Prime Minister is referring to charges that I made. I would ask him to name a charge that I made.

Hon. Mr. Frost: I would say that there is no need for the hon. member to follow the very course of the late E. Gus Porter in connection with the charges that he made: to sit and to make imputations and yet still call the members of this House honourable gentlemen.

Now, sir, in the matter relating to the Hydro-Electric Power Commission and the purchase of the Sarnia land, there is a somewhat different situation. Nevertheless, the hon. member for York South did make statements which as a member of this House and the leader of the government, I think I can fairly say reflected on me and not only upon me, but on the hon. members of this House, and upon my hon. colleagues personally.

How else could one interpret this statement made by the hon. member for York South on February 9, last, and I quote:

Now there is a question I would like to throw in here, Mr. Speaker. When the

hon. Minister is speaking, I wonder if he might inform the House what Tory real estate group had this intermediate job in collecting the land for Hydro?

In the same address and in *Hansard* of February 9, page 240, he said this:

Now, I do not expect ever to get an answer from the government on this. When this kind of deal takes place on the eve of an election, what the people of this province are entitled to know is, how did the election chest of the Tory party benefit from this juicy deal?

Evidently, after having sat in this House for several years, the hon. member still misunderstands me, misunderstands my motives and misunderstands my point of view.

Interjection by an hon. member.

Hon. Mr. Frost: All right! But when he says, "I do not expect ever to get an answer from the government on this"—

Mr. MacDonald: I did not get an answer, did I?

Hon. Mr. Frost: Well, all right. In the formation of the committee of this House, I determined to give the hon. member every opportunity to have this answer.

When I found that the hon. leaders of both branches of the Opposition were importing politics into a question where it was their clear and plain duty to try to uphold the honour and the dignity of this House, then I referred this matter to a Royal commission presided over by a great and learned judge, the hon. Mr. Justice McGillivray, to make sure that the hon. member for York South got the answer.

The charges were serious, I so regarded them. This is what the judge found. I read from page 128 of the records.

He says, after quoting the first part of this remark by the hon. member:

Notwithstanding these remarks, no evidence was adduced to implicate any Tory real estate group or Tory politician or Tory members of the Legislature, nor to connect any such with this transaction. There is nothing to indicate that Gray, Sigler, Ray or their associates had anything to do with the Progressive-Conservative party.

Mr. MacDonald's party was represented at the hearing by Mr. Brewin and Mr. Bryden, and it would be anticipated that were there bases for these remarks some evidence along these lines would have been forthcoming. There was none.

Those are the words of the learned judge who heard this case and conducted this investigation.

These matters are exhaustively dealt with in his honour's findings on page 128 and following, concerning the disclosure of any political connection in the Hydro and the Dimensional transaction. His lordship, after exhaustively going over the evidence, states:

I have no hesitancy in saying that these statements of Mr. MacDonald were completely unsubstantiated.

Now, Mr. Speaker, these are the findings of an impartial hearing conducted by a judge—

Mr. MacDonald: Impartial!

Hon. Mr. Frost: It seems to me that one of the great lessons learned from these inquiries is the fact that we should get back to the tried and true requirements of British parliamentary procedure. I point out to the hon. members of this House that many of these allegations were repeated in paper form in the two by-elections which I have mentioned, in advertising which was disgraceful. Some of it no doubt emanated from the hon. organizer of the Liberal party who is absent from his seat this afternoon. I would like to—

Interjections by Opposition hon. members.

Hon. Mr. Frost: My only comment was that those advertisements had a fit place in the garbage can, and that is what the electors of the two ridings thought.

Some hon. members: Hear, hear.

Hon. Mr. Frost: In referring to the inquiry concerning the Hydro-Electric Power Commission, may I point out that it is the duty of every hon. member of this House to make available, in cases such as this where grave allegations are made, information which is at hand. They should not sit opposite when these things are discussed in the House and look blank. These are discussions which can affect the well-being and the integrity and the honour of this House.

In the case of the Hydro inquiry, there were no specific allegations against hon. members of the House, although I did regard what was said as being a reflection upon myself and those who are associated with me and certainly more particularly upon the hon. Minister of Energy Resources (Mr. Macaulay). There were also allegations as I have mentioned. For example: How much

did the election chest of the Tory party benefit from this juicy deal?

I think this House is entitled to the co-operation of all hon. members and this was particularly necessary in relation to the committee set up to investigate this deal. I am talking, first of all, about the committee of this House which received virtually no co-operation from hon. members opposite. The hon. member for Parkdale (Mr. Trotter) sat in this House last session and he listened to the allegations and the explanations that were made, but he never opened his mouth to give to this House information which he had readily available. I think the hon. Minister of Energy Resources would have been very much helped by a statement from him.

Interjections from Opposition hon. members.

Mr. J. Trotter (Parkdale): Mr. Speaker, referring to the remarks of the hon. Prime Minister, I would like to know what I was supposed to have known.

Hon. Mr. Frost: On February 11, 1960 the hon. Minister of Energy Resources went into the matter exhaustively. On January 29, the resignation of the hon. member for Parkdale (Mr. Trotter) from Can-Tex Ltd., was accepted by that company. He was called before the commission and in the report of the investigation, on page 3021, beginning at line 22, there is this excerpt:

Question: What happened to the minutes and the charter?

Answer: J. B. Trotter. They just sat in my office for months. Then after I was elected to the Legislature I was hearing talk around Queen's Park and this investigation came out. I realized Mr. Clark was connected in some way with the Sarnia investigation and I said, "There is too much political mileage if I have this charter, you had better come and pick it up." He came and picked it up and that is all that went on.

I am going to read what the judge says in a minute.

Now I would point out again that when this matter was brought out, the hon. member sat in the House when all these discussions took place and he never said a word. He sat there with a blank look on his face while this was all dug out. Surely it would have helped the House if the hon. member had made a little speech upon this matter when he had the opportunity last session in the month of January.

I say that there are things which are more important than political mileage.

Mr. MacDonald: Is that right? What are they?

Hon. Mr. Frost: That is what the hon. member operates on, but some of the rest of us at least have regard to the honour and dignity of this House. The hon. member's people only operate on the metre of political mileage.

Interjections by hon. members.

Mr. Speaker: Order, order.

Hon. Mr. Frost: Starting in where I left off about political mileage on which my hon. friends are great experts, you understand, may I say that this is also true for the member for York Centre (Mr. Singer) who was one of the counsel for the Liberal association of Ontario.

I will read what the judge said, and I am going to read it very carefully and hon. members can see for themselves that this is a finding of a great and learned judge:

No member of the government was indicated to have any connection with either Dimensional or the Hydro negotiations, the only two members of the Legislature being named throughout the inquiry being Liberal members.

It was from one of these, the hon. member for York Centre, that the Dimensional file, about which there was so much difficulty and which had been sought in vain, eventually came. He had it in his hands in a professional capacity for approximately two weeks. Now, Mr. Speaker, I think if I had been representing the great historical Liberal party in this province as counsel, I would have subpoenaed Messrs. Norton Penturn and Samuel Saltzman to produce the file, because the hon. member knew perfectly well that they had it. As a matter of fact, he had it in his own hands for two weeks before it was produced. Now I will speak—

Mr. V. M. Singer (York Centre): Mr. Speaker, on the point of personal privilege I feel it only fair and honourable that if the hon. Prime Minister is reading portions of this report he read the whole portion of the report that refers to me.

Hon. Mr. Frost: I am just about to do that. I have it written out here and I am going to read it to the hon. member.

Mr. Singer: Read the whole thing.

Hon. Mr. Frost: I quote:

It was from one of these, Mr. Vernon Singer, that a Dimensional file about which there had been so much difficulty and which had been sought in vain, eventually came, he having had it in his hands in a professional capacity for approximately two weeks—

Mr. Singer: And the next two sentences.

Hon. Mr. Frost: All right, I will read on:—and it was Mr. Trotter, another Liberal member, who had been asked by Gray to become secretary-treasurer of Can-Tex Limited, a company owned by Clark to which Dimensional had paid the sum of \$8,900.

It is not suggested that by so acting, Mr. Trotter committed any impropriety, but the payment to Can-Tex was one of the payments made by Dimensional which was attacked as being open to question, it being alleged that there was no way to indicate how Clark had used the money he received. Then Mr. McEachren, who represented the Indians, was the defeated Liberal candidate in Lambton county. It is in the evidence that he represented them competently and well. There was no impropriety in the actions of any of these men but there is no doubt that my path has been made smoother by the fact that they did not belong to the government party. Had they been, there could be no doubt about what inference I would have been asked to draw at this time.

In other words, it all depends on whose ox is gored. The hon. member for York Centre sits with a file which he has had in his possession for some time. The commissioners and others are looking for this and anxious to find it, and finally it passed in through the door of the committee—

Mr. Singer: The hon. Prime Minister will hear about that file.

Hon. Mr. Frost: Why did the hon. member not tell the judge that? Why did he not tell the judge about these things?

Interjection by an hon. member.

Mr. Speaker: I would point out that we can only have one member speaking at a time.

Hon. Mr. Frost: The statement that I have read is here and it is factual. The counsel for the great Liberal party might have spoken

to the judge about this, he should have subpoenaed these people. If there are differences between a man's professional capacity and his duties to the great people of Ontario, who elected him, should not the latter take precedence? Surely when he sits in this assembly his duties are to the people of this province and the constituency which elected him.

I would say that the hon. member forgot all about the people. His lawyer friend from Parkdale forgot all about the people. They forgot all about the information they could have given to this House to clear this situation up.

I am reading the judge's findings. These are not my conclusions, they are the conclusions of the learned judge.

My only commentary in this is that the standards and requirements of membership in a British parliamentary institution such as this have very great obligations. These obligations are not met with the practice of smart politics. As a matter of fact, these things are not met with political mileage. They are met with the treatment of all those elected to this House as honourable members and the determination to protect the good name and the reputation of hon. members of this House regardless of the party to which they may belong.

It is my hope that with what has transpired since we last sat, both in the verdicts of the jury of the people and the verdicts of the reports of the Royal commissions, that there will be a determination to get back to the dignity and the honour associated with this proud Legislature, which is a development of our great parliamentary system.

Mr. Speaker, I have some other things to say but I have been interrupted, and, I think, the clock is about 3 or 4 minutes fast—at least according to my watch.

I would like to say this in connection with the Throne speech. The first 12 of its 16 pages are devoted to expansion and development, to the matter of employment and unemployment in both short and long views. I would say that we are not seized with the opportunities which the debate on that motion gave them. Again, I express my unlimited confidence in the future of my country and this province, of the people and their ability to adapt themselves to ever-changing positions and conditions.

I have only this opportunity, sir, to refer to what the hon. member opposite said about federal-provincial relations. We shall represent the cause of the people by whom we were elected, at the same time, being mindful of the problems of others. I think the great

fault with the party of the hon. leader of the Opposition is this: For years they have been adjuncts of federal thinking. It is that fact which caused hon. members opposite, when we were fighting our great battle for the rights of Ontario in 1951 and 1955, to undermine our position and make it more difficult to get our rights and to get justice from the federal people. Hon. members opposite kowtowed to these people; we stand up and we fight for the rights of the people of Ontario.

I would say this about the hon. leader of the Opposition. The only complaint he raised about what I did in Ottawa was that I asked for too much. That is all. Now I ask the hon. members—he comes and he says: "He goes down to Ottawa and he asks for too much!"

Mr. Speaker, here is my position and, I think, it is perfectly plain. I know, it is 6 o'clock; I am going down to Quebec and, perhaps, you might give me a minute or two more to say this. I know that, perhaps, what I say is too much for the hon. members opposite but, nevertheless, I will try to make it as easy as I can.

The 50-50-50 I asked for is our constitutional right—my hon. friend will agree with that. All right, that is what I asked for—our constitutional right.

Why did I change my tactics? It was for this reason:

Five years ago I went down and made to friends of the hon. leader of the Opposition some very reasonable propositions, a proposition of 15-15-50. It is only right and proper that I should ask for what is due to us. You cannot subtract from our constitution. These things we are entitled to.

I did make it plain to the hon. members down there, and I made it plain to the other Premiers, that while I asked for our rights—nothing more nor nothing less than our rights—I was prepared to sit down and work out with them some methods of obtaining our goals.

Now, that can be very well done. Hon. Mr. Lesage and I, in general, have the same viewpoint in connection with these matters. I have, of course, told him that I was prepared to adopt, for a period of 5 years or something of that sort, a compromise formula which would give justice to our people in this province.

The hon. members opposite completely misunderstand what I said about equalization. As a matter of fact, I did not say anything about equalization at all. But I have always

been taking a generous attitude toward the other provinces.

Equalization can be self-defeating. That is one of the faults inherent in the present formula. If the province of Ontario were to get its rights of 50-50-50, which is our constitutional due, and if British Columbia were to get that, the cost of equalization would be completely impossible. You have to have a standard of equalization which is fair and just. To that, I have no objection whatever.

There was a suggestion made at the conference that the provinces themselves sit down and discuss the matter of equalization. Now our province gets nothing in the form of equalization. I said I would be delighted to sit in, I would be delighted to be helpful, but that might not be acceptable to others and the matter dropped there. But I can assure the House I would be helpful.

Concerning the gathering on Thursday, this is a provincial conference, something that I have favoured for a great many years and as a matter of fact have endeavoured to bring about. But sometimes invitations from Ontario are not as acceptable as they are from some of the other provinces, and therefore I was elated when the hon. Premier of Quebec sought fit to extend the invitation.

I propose to do everything possible to make this conference a success. It was proposals made by ourselves that led to the technical and continuing committee, and I have felt for many years that it was wholly desirable for Premiers of this vast country, which now is becoming so much smaller because of means of transportation, to have the opportunity to sit down and compare views and discuss our problems irrespective of policy.

In a federal-provincial conference it has never made any difference to me as to the political complexion of the governments concerned and it does not now.

My feeling is that the various governments are elected by the people of the respective

provinces. They are there to govern, and it is with them that we exchange views and help to arrive at arrangements and agreements, if we can, in the Canadian way for the overall betterment of our country.

Interjections by hon. members.

Hon. Mr. Frost: I am not such a bad fellow when I get among those people. I am not too badly regarded after all these years. Of course the hon. members opposite will say things in an endeavour to lower my bargaining ability, but I will just have to do the best I can to get along without them.

Mr. K. Bryden (Woodbine): May I ask my question now, Mr. Speaker? Would the hon. Prime Minister advise the House if as of this date title has been conveyed the Ontario Hydro-Electric Power Commission for all of the land covered by the purchase agreement of March 11, 1959?

Hon. Mr. Frost: I am not familiar with that matter at all. I can find out for the hon. member and would be very glad to, but I am not familiar with that.

Mr. Bryden: It is almost two years ago and they have not got the land yet.

Mr. MacDonald moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, may I say that we will proceed with the Throne debate on Thursday, and on Friday I think perhaps we might be able to call for a period of time the motion standing in the name of the hon. member for Oshawa (Mr. Thomas).

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.10 of the clock, p.m.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, December 1, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 1, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as guests, the members of the Rotary club of Bracebridge and the students from Holy Family school, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden, from the standing committee on standing orders, presents the committee's first report and moves its adoption.

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Of the Ottawa civil service recreation association praying that an Act may pass exempting certain of its lands from taxation.

Of the board of trustees of the Roman Catholic separate schools for the town of Port Colborne praying that an Act may pass authorizing debentures in the amount of \$115,000 to consolidate a floating debt.

Of St. George's college for incorporation.

Of Montreal Trust Company praying that an Act may pass defining its authority and powers as an extraprovincial trust corporation to transact business in Ontario.

Of the board of trustees of the continuation school of the township of Pelee praying that an Act may pass authorizing it to operate a continuation school for grades 9 and 10 in the township; and for related purposes.

Of the Port Arthur YMCA-YWCA praying that an Act may pass exempting its lands from municipal taxation, except for local improvement rates.

Of the corporation of North Bay college praying that an Act may pass reincorporating it as the University of North Bay College; and for related purposes.

Of the corporation of Eno-Scott and Bowne (Brazil) Limited praying that an Act may pass authorizing a change to Brazilian nationality by the corporation; and for related purposes.

Of the corporation of the town of Richmond Hill praying that an Act may pass ratifying an agreement with the TTC for motor bus service.

Of the corporation of Meadowvale botanical gardens praying that an Act may pass authorizing tax exemption on its lands, other than for local improvements.

Of the corporation of the town of Arnprior praying that an Act may pass authorizing debenture issues for certain local improvements; and for other purposes.

Of the corporation of the city of Port Arthur praying that an Act may pass authorizing the corporation to convey certain lands in fee simple, free of encumbrances.

Of the corporation of the city of Sault Ste. Marie praying that an Act may pass establishing a pension plan for the employees of the corporation.

Of the corporation of the town of Renfrew praying that an Act may pass incorporating Renfrew Victoria hospital.

Of the corporation of the University of Waterloo praying that an Act may pass amending its Act of incorporation.

Of the corporation of Pickering college praying that an Act may pass removing the limitation on the value of land which may be acquired by the corporation in any year.

Of the board of trustees of the Royal Ottawa sanatorium praying that an Act may pass enlarging its authority to care for persons suffering from any disability, disease or illness.

Of the corporation of the town of Leaside praying that an Act may pass making special provision respecting local improvement rates on the lands owned by the corporation in plan M-736, Land Titles, Toronto.

Of the synod of Toronto and Kingston praying that an Act may pass exempting from municipal taxation the lands of Glen Mhor camp.

Of the corporation of Northeastern University praying that an Act may pass re-incorporating it as Northeastern University of Ontario; and for related purposes.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

OTTAWA CIVIL SERVICE RECREATION ASSOCIATION

Mr. I. Haskett moves first reading of bill intituled, "An Act respecting the Ottawa civil service recreation association."

Motion agreed to; first reading of the bill.

PORT COLBORNE SEPARATE SCHOOL BOARD

Mr. E. P. Morningstar moves first reading of bill intituled, "An Act respecting the Port Colborne separate school board."

Motion agreed to; first reading of the bill.

ST. GEORGE'S COLLEGE

Mr. A. H. Cowling moves first reading of bill intituled, "An Act to incorporate St. George's College."

Motion agreed to; first reading of the bill.

MONTREAL TRUST COMPANY

Mr. A. F. Lawrence moves first reading of bill intituled, "An Act respecting Montreal Trust Company."

Motion agreed to; first reading of the bill.

TRUSTEES, PELEE CONTINUATION SCHOOL

Mr. G. W. Parry moves first reading of bill intituled, "An Act respecting the board of trustees of the continuation school of the township of Pelee."

Motion agreed to; first reading of the bill.

PORT ARTHUR YMCA-YWCA

Mr. J. Chapple moves first reading of bill intituled, "An Act respecting the Port Arthur Young Men's and Women's Christian Association."

Motion agreed to; first reading of the bill.

NORTH BAY COLLEGE

Mr. L. Troy moves first reading of bill intituled, "An Act respecting North Bay College."

Motion agreed to; first reading of the bill.

ENO-SCOTT AND BOWNE (BRAZIL) LIMITED

Mr. Cowling moves first reading of bill intituled, "An Act respecting Eno-Scott and Bowne (Brazil) Limited."

Motion agreed to; first reading of the bill.

TOWN OF RICHMOND HILL

Mr. A. A. Mackenzie moves first reading of bill intituled, "An Act respecting the town of Richmond Hill."

Motion agreed to; first reading of the bill.

MEADOWVALE BOTANICAL GARDENS

Mr. W. G. Davis moves first reading of bill intituled, "An Act respecting Meadowvale botanical gardens."

Motion agreed to; first reading of the bill.

TOWN OF ARNPRIOR

Mr. M. Hamilton moves first reading of bill intituled, "An Act respecting the town of Arnprior."

Motion agreed to; first reading of the bill.

CITY OF PORT ARTHUR

Mr. Chapple moves first reading of bill intituled, "An Act respecting the city of Port Arthur."

Motion agreed to; first reading of the bill.

CITY OF SAULT STE. MARIE

Mr. C. H. Lyons moves first reading of bill intituled, "An Act respecting the city of Sault Ste. Marie."

Motion agreed to; first reading of the bill.

RENFREW VICTORIA HOSPITAL

Mr. Hamilton moves first reading of bill intituled, "An Act to incorporate Renfrew Victoria hospital."

Motion agreed to; first reading of the bill.

UNIVERSITY OF WATERLOO

Mr. J. J. Wintermeyer moves first reading of bill intituled, "An Act respecting the University of Waterloo."

Motion agreed to; first reading of the bill.

PICKERING COLLEGE

Mr. Mackenzie moves first reading of bill intituled, "An Act respecting Pickering College."

Motion agreed to; first reading of the bill.

ROYAL OTTAWA SANATORIUM

Mr. Haskett moves first reading of bill intituled, "An Act respecting Royal Ottawa sanatorium."

Motion agreed to; first reading of the bill.

TOWN OF LEASIDE

Mr. H. E. Beckett moves first reading of bill intituled, "An Act respecting the town of Leaside."

Motion agreed to; first reading of the bill.

SYNOD OF TORONTO AND KINGSTON
AND GLEN MHOR CAMP

Mr. L. Letherby moves first reading of bill intituled, "An Act respecting the synod of Toronto and Kingston and Glen Mhor camp."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Mr. V. M. Singer (York Centre): Mr. Speaker, before the orders of the day I have a question I would like to address to the hon. Minister of Energy Resources (Mr. Macaulay).

In view of the fact that the Hydro-Electric Power Commission of Ontario did, by writ number 8710, commence an action against Dimensional Investments Limited and the Imperial Bank of Canada, asking *inter alia*, against the defendant, Dimensional Investments Limited, for judgment ordering specific performance of an agreement of sale as amended, dated March 11, 1959, and made between the plaintiff and the defendant, Dimensional Investments Limited.

Has the hon. Minister of Energy Resources abandoned his previously stated opinion that, in view of the fact that specific performance would not be granted by the courts against Dimensional Investments Limited, by writ

number 8710, and that the Hydro-Electric Power Commission of Ontario had no right, after March 14, 1959, to expropriate the interest of Dimensional Investments Limited in the lands which were the subject of the said agreement from Dimensional Investments Limited?

Hon. R. Macaulay (Minister of Energy Resources): Mr. Speaker, I would like to thank the hon. gentleman for having given me notice of the question, which I am happy to accept.

Mr. Speaker: Orders of the day.

Mr. C. E. Janes (Lambton East): Mr. Speaker, before the orders of the day, may I point out that this is a very important day in the life of our hon. friend from Kent West (Mr. Parry). This is his fifty-first wedding anniversary.

I would like to add that he still claims to be quite capable.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, before the hon. member for Kent West says a word or two, I should like to join in the felicitations extended to him. I have a scroll here, which I am going to have sent over to him. It is to Mr. and Mrs. George W. Parry, Chatham.

May I extend to you, on behalf of the government of the province of Ontario, heartiest congratulations on your fifty-first wedding anniversary, and the wish that you may both enjoy further anniversaries in good health and happiness.

I am going to take this opportunity, Mr. Speaker, of telling hon. members my favourite story in this connection.

A number of years ago I had the privilege of presenting this kind of scroll for the first time to a couple of my beloved constituents who will remain anonymous. I will use the names Mr. and Mrs. Jones. It was only after I made the presentation of the 60th wedding anniversary scroll that a neighbour—a very recent neighbour, who had been invited to the reception—found out what the occasion was about.

After the presentation, the neighbour came up to Mrs. Jones and in a voice of disbelief said, "My goodness. Sixty years with the same man."

Mrs. Jones turned around to her neighbour and said, "Not the same man. I have made him over 3 times since I married him." I do not know whether the hon. member has been made over at all. He comes from pretty good stock to begin with.

Mr. G. W. Parry (Kent West): To the hon. members of this House, my sincere thanks.

We have had a happy life and I will give the reason why. I have always had the last two words in our home. These are: "Yes dear."

Thank you.

Mr. J. Trotter (Parkdale): Before the orders of the day, I would like to ask a question of the hon. Minister of Lands and Forests (Mr. Spooner). Is it true that casual employees of The Department of Lands and Forests had their pay reduced, without prior notice, because of the holiday observed November 11, by the civil service commission?

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, I received a copy of this question a few minutes before the House opened this afternoon and the matter is rather involved. I will have an answer for him tomorrow, if he does not mind.

Mr. J. J. Wintermeyer (Leader of the Opposition): Before the orders of the day, may I draw to the attention of the House the fact that this is an historic occasion for a second reason. This is the thirty-fifth anniversary of the election, to this House, of the hon. member for Grey South (Mr. Oliver).

Mr. Speaker, it is not necessary for me to comment on the long and successful contribution the hon. member has made to this House over the past 35 years. He has become an institution in this House, a respected institution.

Mr. Speaker, it gives me great pleasure to draw this fact to your attention. In this hon. member, we have a man who excelled in many respects. But, personally, he has been of great help to me in the responsibilities I have assumed over the past few years. He had the honour to lead my party for a long time and lead it very successfully. He has been a trusted advisor and friend, and I think he has been a friend to all hon. members of the House. I need do nothing more than to draw to your attention this historic occasion.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I am sure the hon. Prime Minister (Mr. Frost) would expect me to recognize this very pleasant and unique occasion, with some words on behalf of the government, in connection with the service of the hon. member referred to by the hon. leader of the Opposition. He occupies, with the hon. member for Brant (Mr. Nixon), the distinction of being the dean of this House.

I doubt whether anyone, apart from the hon. member for Brant, has had a continuous

period in this Legislature as long as the hon. member for Grey South. In fact, this House would not somehow seem quite the same, if we did not see his fine physique, and personality seated in this House. He has been seated opposite throughout the period I have been here, and while I extend to him all felicitations for the future, it is not my desire that he should change his seat. I do, on behalf of the government, express our felicitations to the hon. member on this auspicious occasion.

Mr. D. C. MacDonald (York South): Mr. Speaker, I, too, would like to add a word on this happy occasion. It is a rather remarkable thing for some of us who are as young as I am, that we have to go back or can go back to the history books to learn of the beginnings of the political career of the hon. member for Grey South. At that time, I understand, he was known as the "boy orator" of Grey South. He certainly has developed into an institution.

This degree of longevity is a remarkable achievement in politics which is one of the most insecure of positions. I would like to join with the hon. Attorney-General, and hon. members of this House, in extending our congratulations to the hon. member for Grey South on this occasion.

Mr. F. R. Oliver (Grey South): Mr. Speaker, I want to express my appreciation to the hon. leaders of the parties for the kind words they have extended to me. I would expect kind words from my own hon. leader. From the hon. leaders of the other two parties I might expect those kind words but I seldom receive them.

I am now starting, I think, my thirty-fifth year as a member of this House. When I came into the House 35 years ago, the political climate was almost as it is now. Those were hard days. Tough days. We had a ray of sunshine for some 9 or 10 years and then, for some unexplainable reason, lapsed into another period of—let us be generous and say—uncertainty.

I hope to live politically for another 2 or 3 years when I expect that this party will again assume the reins of power in government in this province.

There is much to be learned in Opposition. We get the opportunity and the time to analyze those who sit across from us and by the looks of the hon. members over there, they are ready for at least temporary retirement. I want to remain in public life long enough to make that retirement a certainty. So, as far as I am concerned, in spite of the

kind words that have been said, I want to make it more or less permanent. Thank you very much.

Hon. Mr. Yaremko: Mr. Speaker, as Provincial Secretary, I regret that I do not have a scroll, suitably inscribed, to send over to the hon. member for Grey South. Had I known earlier, I would have seen to it that such a scroll be prepared. I can now take my time, because I may have some difficulty in finding the exact words that should go on such a public scroll, in view of the very high service we have commemorated here on two occasions.

The next one, perhaps, may not be important to many, but it is important to the hon. Minister of Public Works (Mr. Connell) who today celebrated his forty-fourth birthday. For him I have a scroll: "continued health and happiness."

Hon. R. Connell (Minister of Public Works): Mr. Speaker, as my hon. friend the Provincial Secretary said, it probably is not too important to the rest of the hon. members but I thought I would really be slipping by the time I got to be 44. I might just tell the House, however, that I have never felt better than I feel this week. Thank you very much.

Mr. Speaker: Orders of the day.

Clerk of the House: First order, resuming the adjourned debate on the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor at the opening of the session.

SPEECH FROM THE THRONE

Mr. D. C. MacDonald (York South): Mr. Speaker, in rising to take part in this Throne debate, I want first to extend congratulations to the new hon. Ministers of the cabinet.

I have known at least 2 of these 3 hon. Ministers for all the time that I have been in the Legislature. I know them to be men of considerable ability and I think it would be my hope, and the hope of all the House, that they will bring some strength to the cabinet—which has been in rather obvious need of it for quite some time.

However, Mr. Speaker, there is one aspect of these appointments to the cabinet that I would like to touch on briefly.

I acknowledge that appointments to the cabinet are the exclusive prerogative of the hon. Prime Minister (Mr. Frost) but, since the cabinet is the executive of this Legislature, it is a matter of concern to the Legislature as a whole.

How far are we going to go on two scores—firstly, the expanding of the cabinet and, secondly, the appointment of Ministers without Portfolio?

There is a gentleman in this world who is dear to the hearts of the Tories, namely Parkinson, who has expounded a law. Having listened to him this past summer, I know that he would state that we have passed the point of efficiency in the size of the cabinet in the province of Ontario at the present time.

His figure, I think, was 21 and we have now reached 22.

Hon. A. K. Roberts (Attorney-General): No, 20.5.

Mr. MacDonald: I will not embarrass the hon. Attorney-General by asking who the .5 is. However, Mr. Speaker, we have reached this 22 figure by the appointment of 3, or by the existence at the moment of 3 hon. Ministers without Portfolio.

The reason I am raising this is that I have never been exactly clear in my own mind as to the function of a Minister without Portfolio. My impression has been that this is the category into which men are put when they are on the way into the cabinet, or on the way out of the cabinet, and that the functions of a Minister without Portfolio are jobs that are assigned to him by the cabinet.

It seems to me that a more effective alternative would be the procedure now followed in the federal House and, I believe, in the British House of Commons. This is the appointing of parliamentary secretaries, particularly to those major portfolios in which the Minister could do with some assistance.

I am told that the hon. Prime Minister has publicly expressed a view against this. Unfortunately, I missed whatever he did say when it appeared in the press. But it would seem to me, Mr. Speaker, that this might be a topic, if the select committee on government reorganization is reconstituted by this House, for that committee to search for a more effective administration of the government at the executive level.

Also, Mr. Speaker, I would like to extend my congratulations to the hon. mover (Mr. Gomme) and the hon. seconder (Mr. Evans) of the motion in reply to the speech from the Throne.

It is a great honour for men to be chosen by the government to move and second this historic debate and, with so many hon. members on the government side, the honour

is all the greater if they happen to be chosen.

Unfortunately, Mr. Speaker, I cannot find myself in the same generous mood regarding context of the speeches of these two hon. members—and I raise this seriously.

I have been in this House now for 6 years, and I have yet to hear a speech by the mover and the seconder of the debate that would be in the category that I am told was once delivered by the hon. member for Sault Ste. Marie (Mr. Lyons) and others in this House. His speech was obviously and clearly his own product.

An hon. member: Hear, hear.

Mr. MacDonald: The speeches that we have been given during these 6 years have had all the earmarks of a stereotype that emerged from the "head office," downtown. Now, I know each time—

An hon. member: Where does this come from—which office?

Mr. MacDonald: Mr. Speaker, if this challenge is not a fair and accurate one, and these speeches do not emerge from an office downtown, I think we shall look forward to a future occasion when the mover and the seconder might deliver a speech which is clearly a product of their own real effort.

We might escape from the painfully familiar stereotype that always expresses sentiment in favour of motherhood, in favour of God, in favour of Royalty and, above all of course, in favour of the Tory party.

Having started from those sublime heights, the speech descends very rapidly to the demands of the mover's and the seconder's local constituency. We have even had a request for traffic lights to be put in at such and such a corner back home.

Maybe I am hoping for too much, Mr. Speaker, but it seems to me that the mover and the seconder have an opportunity to deliver speeches which will be in keeping with the importance that the government attaches to the Throne speech.

Surely it is a very important speech—laying out the government's programme for the whole session.

This year, the whole of the Throne speech was devoted to unemployment, and to the government's programme for stepping up the economy of this province so that we can cope with this urgent problem.

Yet I think I am correct in saying that the hon. mover and the hon. seconder, if they

mentioned this key issue of unemployment at all did so only in passing.

One thing they did mention, Mr. Speaker—and I do want to deal with it, embarrassing though it may be—and this is the matter of by-elections. The government won the by-elections. I congratulate them. One of the glorious things about democracy is that you go out, you fight at the hustings, and when the votes have been cast you extend your congratulations to the victor.

However, there are a couple of points I would like to dwell on briefly for the edification of the House.

With regard to the Temiskaming by-election, a statement was made by the hon. leader of the Opposition (Mr. Wintermeyer) predicting that, before the election was over, the government would make a promise to establish a retarded children's school in that constituency.

The hon. Minister of Lands and Forests (Mr. Spooner) from his office in Timmins issued a statement which was carried in the *Northern Daily News* on September 2. Let me read one paragraph from that statement labelling such charges as trash.

The hon. Minister at his office in Timmins said: "Prime Minister Frost and the Conservative government did not, and never would, try to bribe the voters in an election or a by-election."

There was a sanctimonious pronouncement if I ever heard one. However, Mr. Speaker, let us follow the course of events.

A day before the votes were going to be cast the second or third hon. cabinet Minister who had suddenly become preoccupied with this issue of a retarded children's school, the hon. Minister of Public Works (Mr. Connell) visited New Liskeard. I shall not read the news account, but just the heading on the story. This was the day before the election.

Hon. R. Connell (Minister of Public Works): He had better read it all.

Mr. MacDonald: It reads:

NEW LISKEARD SITE FOR PROPOSED KIDDIES' SCHOOL BEST IN THE NORTH, ONTARIO PUBLIC WORKS MINISTER SAID.

An hon. member: Shame.

Mr. MacDonald: Now, they did not get to the point of a specific promise, but the hon. Minister came up and took a look at this site. He said it was the best one in the north. Now, I will agree with the hon. Minister of Lands and Forests. This was not a bribe. It was

only half a bribe. He would not just say it right out.

Mr. W. B. Lewis (York-Humber): That is right.

Mr. MacDonald: However, let us get to a whole bribe because in the course of that by-election, the hon. Minister of Mines (Mr. Maloney), who is one of the best-known engineers in this province, took it upon himself to assume the responsibilities and the duties of The Department of Highways. He appeared for one of his many blustering efforts in Temiskaming and announced that the government was going to move this famous bypass, which has been a subject of local discussion for quite some time, from a site that had been chosen some distance back up in the tri-town area, and on which considerable money had been spent and on which there was a lot of local rumbling of dissatisfaction that it should have been closer to the towns.

So the hon. Minister of Mines comes rushing in, complete with all his equipment as an engineer, and takes a look at the situation and announces that the bypass will be moved closer as the tri-town people want it. The electors of Temiskaming took this promise at its face value as coming from people who never attempt to bribe the electorate.

The election is over and, yesterday morning, I picked up the *Toronto Globe and Mail* to read a dispatch from New Liskeard dated November 29, the first paragraph of which reads as follows:

Despite a promise made by the government before the recent Temiskaming by-election to consider an alternative route, the proposed tri-town bypass will follow the route originally suggested by The Department of Highways, it was indicated today.

Mr. A. J. Reaume (Essex North): Terrible, terrible.

Mr. MacDonald: It was not a bribe, of course. This government does not deal in these kind of things. In fact, these are only two of many issues on which the people of Temiskaming were seriously misled by this government. I wonder what they are thinking now that it is all over?

The second comment that I want to make is that I made some predictions during that by-election with which I do not want to be confronted because they are now being denied by the fact.

However, there are one or two predictions which I did make, and I am willing to repeat them right in this House. One was that if the government was successful in having two members elected, it would construe those elections as condoning all that has gone on by way of maladministration in this government. This is precisely what has been done.

Hon. Mr. Roberts: I rise to a point of order. I ask that the hon. member withdraw such a statement. There is not an atom of truth in it.

Mr. K. Bryden (Woodbine): Why should he withdraw it?

Mr. MacDonald: The second comment that I made, Mr. Speaker, was that two more Progressive-Conservative members added to the serried ranks of the government backbenches down here would not produce a ripple on the pond at Queen's Park. There would be moments of gloating which we got from the hon. mover and the hon. seconder of the speech. So the hon. Prime Minister—

Hon. Mr. Roberts: Could I ask my hon. friend, is that what he told the electors on the eve of the election? No wonder they defeated his candidate, if it is!

Mr. MacDonald: Mr. Speaker, may I suggest that the next time the hon. Attorney-General gets up, the hon. Minister of Labour (Mr. Daley) take those tacks off his seat which are disturbing him. Just do not bounce up and down. Mr. Speaker, I stated that it would not cause a ripple if these members came down here. I want to say, perhaps by way of condolence to the hon. member for Simcoe Centre, that these words were proven all too true. He was chosen to be the seconder of the motion of address to the speech from the Throne.

Yet, while he was delivering his maiden speech, I happened to look across about two-thirds of the way through the speech and discovered that of the 22 hon. cabinet Ministers only 5 were sitting in their seats.

This is how interested the government is in one of the new hon. members.

Now, one of the hon. gentlemen who was out of the House—and perhaps he will bob up once again—was the hon. Attorney-General. He was not interested in this one more addition even to the point of listening to him.

Hon. Mr. Roberts: Mr. Speaker, I want to make it clear that I was within the precincts

of this House throughout. I was in the wings when I was not in my seat.

Mr. MacDonald: I realize, Mr. Speaker, that the hon. Attorney-General's conscience bothers him a lot. He has got to get up and salve it publicly. But, I still reiterate that when this new hon. member was making his maiden speech, only 5 of the greatly expanded cabinet of 22 took the trouble to listen to him.

It must be a little disillusioning for the hon. member for Simcoe Centre, but he will learn that this is the kind of treatment he gets as one little pebble on the great Tory beach.

The CCF was disappointed in these by-elections. I am very frank about that. We had our usual soul-searching sessions afterwards, and we came to our conclusions as to what we did wrong that we could have done better. Then we decided that we would apply the lessons we had learned, and we applied them in a couple of by-elections that were coming in conjunction with the great New Party developments less than one month afterwards.

From that busy, downtown office, which produces these stereotyped speeches, it is likely that some rather significant figures have been distributed to the Progressive-Conservative hon. members, so I would just like to draw this to their attention, for their perusal and contemplation when they spend long, weary evenings down in the Royal York hotel.

The results of these two by-elections in the province of Ontario, one of them in Peterborough and one in Niagara Falls, revealed that the New Party got 19,800 votes while 1,000 votes back were the Liberals with 18,800 votes, and 1,200 votes back were the Tories with 18,600 votes.

As a matter of fact, Mr. Speaker, if we move from the results themselves to the trend, there is even greater significance. The results of those two votes, as compared with the comparable votes in the two ridings in the last federal election, reveal that the Tory party dropped 14,000, the Liberal party dropped 2,500 and the New Party increased by 15,000.

Mr. Reaume: Two times nothing is nothing.

Mr. MacDonald: Mr. Speaker, the hon. members of the House do a lot of twitting about the New Party, such as: "It has not got a name. It is not born yet." But I can assure this House it is a most vigorous creature for not yet being born and if they

wish to continue to ignore its existence I invite them to live with their illusions, because this is a very significant development on the Canadian scene. I just want to bring, as a witness regarding how significant it is, a man for whose political astuteness I have the most profound respect—the hon. Prime Minister of the province of Ontario.

A year or two ago, an Australian professor visited Canada. In fact, he spent many months moving across Canada. As a result, he wrote a book which came out about two or three months ago. In this book, there was a chapter on the political trend. He made this observation with regard to the political trend in Canada. I am quoting his reference to the New Party development:

This remained, for me, the outstanding development in internal political organization during my stay in Canada, with highly significant possible long-range effects on Canada's external as well as internal problems.

Then he ended his chapter, Mr. Speaker, with a quote from the hon. Prime Minister of Ontario.

Hon. M. B. Dymond (Minister of Health): The hon. member said this a year ago.

Mr. MacDonald: I did not say it a year ago. The book came out only 3 months ago. I have not the prescience of the hon. Minister.

Hon. Mr. Dymond: Has the hon. member never quoted this before?

Mr. MacDonald: What the hon. Prime Minister said was this:

Mind you, I think you are right in suggesting that the next 25 years in Canada will see the emergence of an increasingly stratified conflict between a Conservative-Liberal or a Liberal-Conservative party of the right and some sort of socialist party of the left.

Hon. Mr. Dymond: What does that prove?

Mr. MacDonald: It proves that the hon. Prime Minister has his ear to the ground as usual, and knows what the undercurrents are in the political development of the province of Ontario. He acknowledges that the New Party is going to be a fixture on this scene, and opposing it, as a major political fixture on the Canadian scene, will be a Conservative-Liberal or a Liberal-Conservative party of the right.

I am sure that, when the hon. Prime Minister listened to the results from Peterborough, he must have regarded them as

being confirmation of his usual correct assessment of the undercurrent in Ontario politics.

Mr. Speaker, I want to move to another point that the hon. mover and the hon. seconder dealt with in the course of their speeches. I am not going to deal with it in the terms that they raised it, but rather in the terms of the overall policy that the government is engaged in at the present time. That is the fiscal arrangement with the government at Ottawa.

Ontario has a strong case in its negotiations with Ottawa in the new fiscal agreements, for this reason: 75 cents of the Canadian tax dollar ends up in Ottawa, and, while 15 cents of that 75 cents is rebated to the provinces in fiscal agreements, it still means that the province and the municipal governments are operating on only about 40 cents of the tax dollar, and 60 cents of it remains in Ottawa.

Mr. Speaker, as long as such major budgetary items as education and highways, which—as we are very much aware in this House constitute over \$400 million of a budget of over \$600 million—are left so exclusively to the responsibility of the lower levels of government, then I think the provinces are entitled to a larger cut of the tax dollar so that they will have it for their own needs and to share with the municipalities.

For this reason, Mr. Speaker, I feel confident that all hon. members of all parties in this House would be solidly in support of the hon. Prime Minister in a strong representation of Ontario's needs at Ottawa. But I am bound to add that the hon. Prime Minister spoiled our strong case by a gross exaggeration, so that the net effect was to weaken it.

In fact, he played right into the hands of the federal negotiators, so that the federal hon. Finance Minister (Mr. Fleming) was able to construe his demands as adding up to something like \$2 billion and, therefore, being so exaggerated as to be ridiculous.

However, Mr. Speaker, equally disturbing is what appears to be the official line of the Frost government, parroted faithfully by all spokesmen of the party now, including the hon. mover and the hon. seconder of the Throne debate. We have a situation developing in Ontario which is reminiscent of the Hepburn feud with Ottawa when he was our provincial Prime Minister, and it promises to be just as destructive to the welfare of Ontario and Canada as it was back in the Hepburn days.

For example, speaking in Timmins back on November 2, our present hon. Prime Minister

stated that the province had not asked for a nickel too much. That is a ridiculous statement, and the hon. Prime Minister knows it.

Above everything else, his actions speak louder than his words, for I venture to suggest to the hon. Prime Minister that when he got into the private sessions of the conference he got down off his propaganda podium, and he argued for a much more reasonable and attainable settlement.

But what is even more disturbing than that, Mr. Speaker, is a variation on the provincial Tory line at the present time, and that is to set one province against another in this country.

When he was up in Timmins, the hon. Prime Minister said:

What makes it so maddening when we go to Ottawa is that all the other provinces want to get a bite of our money.

Now this is a rather false theory, that once money has been raised and goes into the treasury of the nation, it still remains the money of the people who happen to be taxed on the same basis all across the country. If the government wants to fight this issue, let them fight it out with Ottawa, the government which they did so much to elect.

As a matter of fact, I would judge, in light of that love feast they held at the October meetings of the Ontario Progressive-Conservative association down in the Royal York hotel, that they are willing to re-elect them once again—if the people of Canada can be misled into it.

Do not let the province of Ontario foment a cold war among the Canadian provinces, for that is exactly what they are engaged in at the present moment—or have been at least up until the conference which is taking place in Quebec City today.

This government is rapidly developing a capacity for creating a cold war atmosphere among the provinces of Canada—the Canadian national family—worthy of Moscow's efforts at the international level.

I believe, Mr. Speaker, that Canada's basic unity and the future welfare of this nation is too precious to be undermined by this kind of petty provincialism and political feuding.

Ontario's conduct at the moment has all the earmarks of a real tragedy in the history of this nation. Because, at a time after the long Duplessis regime, when the province of Quebec has shown a willingness to rejoin Confederation, this government is attempting to outdo Duplessis and frustrate the fulfilment of Confederation in the twentieth century.

If I am wrong in my assessment of what has been the pronouncement of the government hon. spokesman for the last two or three months, if I am proven wrong by what happens in Quebec, I shall be the happiest person in this country, because I am convinced that the tack that the government has taken in recent months is not in the interest of this nation and therefore, ultimately, is not going to be in the interest of the province of Ontario, because the province of Ontario cannot escape from being a very important part of this nation.

Now, Mr. Speaker, I want to turn to another item which, for some reason or other, missed mention altogether in the speech from the Throne.

The Throne speech, as I said a few moments ago, dwells at great length on the problem of unemployment and what this government proposes to do to come to grips with that problem. I shall not discuss any further the inadequacies or the omissions in that programme; we have already done so in a debate and we will have further opportunity to debate it. But, for agriculture, the only reference is to the establishment of a market development branch in The Department of Agriculture. And there was a significant omission of the major battle over farm marketing in which this government is involved, and which is going on in the province at the present time.

Last spring, Mr. Speaker, you will recall that this House witnessed one of the bitterest debates in years—on Bill No. 86, in which the government destroyed the basis of producer-controlled marketing in this province, as we had understood it.

They replaced it by a state-controlled marketing, through which the democratically organized and operated marketing boards can, if the government so decides, be stripped of their powers up to and including being put under trusteeship and replaced by a so-called independent board of the government's own choosing.

This was one of the most disturbing assumptions of arbitrary power by a government that this province has ever seen. We said so in the Opposition when we were debating that bill, and there has been nothing since to suggest that we were wrong.

There was no mystery as to why the government passed this bill. They passed it for precisely the same reason that hon. J. R. Smallwood passed his bill—because he had political objections to a certain economic organization in Newfoundland and he was determined to smash it. This government took

these powers unto themselves because they were determined to beat the hog producers' association into submission.

Since last spring, Mr. Speaker, there have been 3 significant developments that I want to touch on briefly now.

The first one was that, last summer, there were protracted negotiations between the hog producers on the Ontario farm products marketing board, following the storm that was raised by the Price-Waterhouse report and the government action based on that report.

As a result of these negotiations, the government restored the 40-cent service fee and set up two committees with the hog producers to study the sales methods and transportation problems, two of the areas of controversy in the present scheme. A newspaper account spoke of a better feeling having been established between the provincial marketing board and the hog producers.

The second significant development took place on October 29, when the hon. Minister of Agriculture (Mr. Goodfellow) held a press conference, significantly timed for the first morning of the Ontario federation of agriculture annual convention.

In that press conference the hon. Minister virtually declared war once again. He used a lot of tough language.

For example, he declared that hog producer directors had, and I am quoting here, "repeatedly broken faith with the Ontario farm products marketing board." He added to the cold war atmosphere with such statements as, and I am quoting again, "the board has been pushed around and double-crossed" and "the board has gone the last mile."

I do not know to what extent this is known to hon. members of the House, but on the very day that the hon. Minister gave this press conference, the Ontario farm products marketing board arbitrarily withdrew from the two committees which had been set up in the summer with the hog producers to investigate sales methods and transportation problems. The hon. Minister told the press conference, in effect, that the government was going to move arbitrarily to continue using these sales methods, no matter what the hog producers thought about it.

In other words, the big stick of Bill No. 86 was about to be wielded.

But then the hon. Minister went even further. While protesting they were not wielding the big stick, he stated that: "As a last resort, the government may set up an independent marketing board to handle the sale of hogs."

Now here, Mr. Speaker, is forewarning from the hon. Minister in control that the government is about to move in using the ultimate arbitrary power which its majority granted in this House last spring. The government is actually contemplating action to take over from the producers the marketing scheme which has been built over the last 15 years, and to replace it with a so-called "independent board."

Mr. Speaker, you can bet your bottom dollar that if appointees to such a so-called "independent board" will be faithful servants of the government and its views—which means the big packers' views—the doors will be open once again for taking control of the market away from the producers and handing it back to the big packers.

But there is a third and even more significant development. Throughout the 15 years in which the hog producers have been trying to establish an effective marketing scheme, the big packers have never really accepted it. For example, back in 1951 the packers abruptly refused to negotiate any longer a minimum price, which had been the procedure in the first 6 years of the marketing scheme. When the hog producers sought to settle the issue through an arbitration board, which was their right under the Act, the packers refused to appoint a man, in open defiance of the law, and this government accepted that defiance.

Now, when the hon. Minister talks about breaches of faith on the part of the hog producers, I invite him to go back and consider that chapter of the story—in which this government was guilty not only of a breach of faith, but of toleration of a breach of the law by the big packers. However, that was but one chapter.

For years afterwards the packers attempted to frustrate the hog producers, attempting to secure control of marketing of their product by under-the-table payments to truckers, to make certain that the hogs would be brought direct to the packing plants, forcing the hog producers to set up assembly points through which they would secure control of their product. Out of that flowed endless instances of court procedures to try to resolve the exercise of these powers.

In more recent years, the packers have persistently sought changes in the sales methods of the hog marketing board, designed for one purpose, that they might regain control of the market which the producers had taken unto themselves legally through the marketing legislation given by this government.

And on all of these occasions, Mr. Speaker, when the chips were down in the battle, the government has taken a stand on the side of the big packers. Little wonder that among the hog producers across the province of Ontario today, "PC" has come to stand not for Progressive-Conservative, but "packers' chums."

Faced with this relentless battle from the big packers, aided and abetted by this government, the hog producers have taken another step. They have taken out a charter as interim directors for the time being on behalf of all of the new producers in the province of Ontario, a charter for what is known as the farmers' allied meat enterprises co-operative, now more familiarly known as FAME. They are presently engaged on a bond drive to raise between \$1 million and \$2 million for head offices and cold storage facilities in Toronto. Then they propose to move to the establishment of a chain of co-operative slaughtering plants.

Hon. Mr. Roberts: Is my hon. friend quoting there? Is he aware of that situation?

Mr. MacDonald: I am aware of that situation and I will come to that situation—moving to the establishment of a chain of co-operative slaughtering houses across the province.

Mr. Speaker, I think this is a most far-reaching and creditable example of self-help on the part of the agricultural producers to wrest control of their own destiny from the big packers who have exploited them for years. Remember the famous comment of J. S. MacLean, made when he was giving testimony to the prices committee before the federal House of Commons in 1948. Said Mr. MacLean:

We pay the producers as little as possible and we charge the consumers as much as we can get away with. That is business.

And that is the kind of people that the hog producers have had to contend with.

What is the government's view on this? Mr. Speaker, the government's view on this was rather clearly revealed by the hon. Prime Minister last spring. When we were debating in this House in the estimates of The Department of Agriculture and one of the hon. members from the Liberal benches was speaking, he made this comment:

"In last Friday's paper we read that the Ontario hog producers are contemplating setting up their own slaughtering methods."

His speech was interrupted by the hon.

Prime Minister, who asked these two questions: "What does the hon. member think of that? Does he think it is a good idea?"

To which the hon. member for Oxford (Mr. Innes) replied: "I think it is a pretty good idea."

And the hon. Prime Minister replied: "Nothing sillier than that was ever advanced by anybody."

Mr. V. M. Singer (York Centre): He did not say that. Did he say that?

Mr. MacDonald: "Nothing sillier than that was ever advanced by anybody." Yes, the hon. Prime Minister said it. Then the debate went on, and some few pages later—as a matter of fact that quote is found on page 1286 of *Hansard* of March 15—and on page 1296, the hon. Prime Minister added this further comment, just so there could be no doubt as to what his view was with regard to this development. He added:

In discussing that problem and trying to work it out, I would say that I have come to the conclusion that it is completely and totally unsound from the standpoint of the producers, and I would say that I have the very best authority to support me on this.

In other words, Mr. Speaker, FAME is completely and totally unsound from the point of view of the producers. We have this from the word of the hon. Prime Minister of the province of Ontario.

Yet I draw to your attention, Mr. Speaker, the fact that this development has received the enthusiastic public support of Dr. H. H. Hannam, president of the Canadian federation of agriculture, and of Dr. Alec Laidlaw, secretary of the co-operative union of Canada. The advisory committee to FAME has a distinguished list of farm leaders on it, including the general manager of the co-operative union of Ontario and two past presidents of the Ontario federation of agriculture.

In other words, this government apparently has decided to do battle, they have declared war once again. I want to venture the prediction, Mr. Speaker, that this time they are going to get the war they sought. I say this because there is shaping up the biggest struggle for power ever seen in rural Ontario, involving the industries that have traditionally lived off rural Ontario.

On one side there is a growing range of farm organizations and leaders supporting the meat producers of the province, who are engaged in this effort to build a co-operative

organization, which is a very creditable example of self-help. And on the other side, Mr. Speaker, you have the packers and their "chums," the Tory government at Queen's Park.

This government, Mr. Speaker, may try to use the dictatorial powers of Bill No. 86, but there are signs that the people of the province of Ontario are not going to take it without a fight.

Now, within the last 24 hours there has been another development which, as far as I know, has not yet got into the press. I do not want to discuss this at any great length because the situation is in the process of evolving. I think until it has been more clarified than at the present time, we in this Legislature had best withhold our comment. The development is simply this. This co-operative, chartered by this government some 2 or 3 months ago, is engaged in a series of meetings—as a matter of fact, I think they have something like 12, 15 and 20 meetings every night this week promoting the bond debenture issue across the province of Ontario—involving, I am told, something like 500 farmers who are acting as salesmen for the co-operative. As of yesterday the Ontario securities commission has moved in, has issued an order that they are in fact not acting as a co-operative, that they must cease their bond debenture promotion, that they must be brought under the Ontario securities commission, and must be subject to all of its regulations which will result in something like \$100,000 in licence fees for the 500 salesmen they have out among their fellow-producers across the province of Ontario and other expenses which I am told will amount to something like \$100,000.

Interjection by hon. Mr. Roberts.

Mr. MacDonald: I shall be finished in 3 or 4 minutes regarding the facts of this case, then he can comment.

Now, the argument, Mr. Speaker, that is advanced in the report, the decision of the Ontario securities commissioner—a copy of which I procured from his office myself this morning—is that until FAME is actually in operation it is not acting as a co-operative and therefore has not got assets and therefore cannot proceed to sell debentures, because it has not got the assets upon which these debentures can be based.

I am not going to dispute that point, Mr. Speaker. There is fairly serious division in the co-operative movement as to whether or not this is a valid interpretation and exercise of the powers of the Ontario securities com-

mission. It is up to the co-operative movement, the co-operative union of Ontario and others, to take what action they deem fit. Under the regulations they can appeal this decision to the commission as a whole and subsequently, I think I am correct, to the Ontario supreme court.

However, Mr. Speaker, what I am raising now, I am raising with my remarks directed to the hon. Minister of Agriculture particularly. If the hon. Attorney-General wants to interject, I have no objection.

If the Ontario securities commissioner is right in his assessment of his powers here, he can issue this order to preclude the promotion of debenture sale until FAME has actually got into operation, that is one point.

But there is another point which the people involved, and who are presently out across the province engaged in this campaign, were entitled to have made crystal clear. And that is that if they reverted, so I understand, as was considered by the board of directors of the hog producers' association—who were authorized by a membership of 300 in the month of September at an annual meeting to proceed with this whole venture—they would be willing to switch, if the Ontario securities commissioner said so, from a bond debenture issue to the selling of share capital—the procedure on which co-operatives have been established traditionally. Surely it was within the competence of the Ontario securities commissioner to have indicated that this was the case so that if they wanted they could switch from their debenture sale promotion to a share capital sale and put their plants into actual operation to create assets upon which bonds could be sold in the future.

But this has not been done, Mr. Speaker. What I am a little curious about is whether we are once again moving into the kind of experience the hog producers have had for the last 8 to 10 years; that is, of this government running interference for the big packers and of being partly responsible—not wholly, but partly responsible—for an endless line of test cases in the courts which have frustrated the hog producers in their efforts to establish an effective marketing scheme.

Here we have a repetition of this story, right in the midst of a very creditable effort involving thousands of producers across this province and literally scores of meetings. Some 3 months after the charter had been issued and some weeks at least after the literature upon which this campaign is based has been available, finally the Ontario securities commissioner acts—and let me emphasize

this point—because of pressure from Bay Street. I am not blaming the commissioner, because he acted because of pressure from Bay Street. And I want to suggest to this House there is no doubt in the wide world where the pressure has come from. It has come from the solicitors of the packing companies and their friends down on Bay Street.

Hon. Mr. Roberts: The hon. member's 4 minutes are just about up. That is the way he usually does things, all sorts of distortion before one can get to the meat of it.

Mr. MacDonald: Mr. Speaker, there is no distortion in what I have said.

Hon. Mr. Roberts: I would like the opportunity of explaining just what happened. Now the hon. member said 3 or 4 minutes, and I hope he is pretty close to being through.

Mr. MacDonald: Is the hon. Attorney-General going to interrupt in violation of the rules?

Mr. Speaker, all I want to say further on this matter for the moment is this. It seems to me it is the responsibility of the hon. Minister of Agriculture, within whose jurisdiction comes the development and the encouragement of co-operatives in the province of Ontario, that his department take action and not appear to be sitting idly by while these legal technicalities are being used to frustrate this effort on the part of not only the hog producers, but a growing range of producers of other meat products in the province of Ontario. I have seen nothing that the government has done. I have seen nothing that The Department of Agriculture has done.

I am gravely suspicious because I remember 2 or 3 years ago when a delegation went to visit the hon. Minister in regard to the Ontario hog producers. They came back, and all of them were willing to swear that the hon. Minister had stated that he had hopes that the hog producers' association would hang itself before the vote that was taken on July 25—the plebiscite some 2 or 3 years ago. So we have had very conclusive evidence as to what the sentiment of this government is with regard to the hog producers' association.

I think this House is entitled, and furthermore the agricultural community of the province of Ontario—which is deeply interested in this—is entitled, to assurances from the hon. Minister of Agriculture that he is going to move, and not sit idle, to make

certain that a group of people who are seeking to establish a co-operative are not going to be frustrated in their efforts.

Now, when the situation is clarified beyond that, we will have another opportunity to debate this in the House and I shall say more. If the hon. Attorney-General wants to comment, I will be glad to give him the floor.

Hon. Mr. Roberts: I think it is important at this stage, in view of the statements of the hon. member, that this matter be put in its proper perspective in front of the House.

In the first place, the securities commission is governed by The Securities Act which applies to all people dealing with shares of securities of companies or corporations. When complaints are received in the case of a corporation that is allegedly selling shares, or shares of a corporation are being sold, that has not been registered, filed in the proper manner—the prospectus filed in the proper manner, the necessary certificate of qualification and so forth received by the commission—it is the duty of the commission to look into that situation and to find out what the facts are.

In this particular case, the company referred to was incorporated under part 5 of The Companies Act, which is the co-operative part and has definite restrictive requirements in relation to operating as a co-operative. Under the combined effect of section 19(2)(i) and section 41(a) of The Securities Act, securities issued by corporations operated on a co-operative basis, as defined by that part, are exempt from the provisions of The Securities Act.

But those sort of securities are securities in the nature of ordinary shares all of the same value in relation to the assets and in relation to the members who become members of the co-operative and are kept right within that family, and are not out as a public issue. In this particular case, without qualifying or without going to the securities commission to determine their position, the company made a public offering of unsecured debentures, seeking to raise at least \$1 million.

I am told that actually about \$15,000 worth of these bonds are presently in the hands of the public. I am referring now to the findings of the commissioner himself, which came down just yesterday, November 30. I might say that complaints came into my office just recently, and the minute they came into my office they were handed over to the proper officers to deliver to the securities commission.

Any suggestion that there was pressure from Bay Street, or from this interest or that interest, in relation to doing something about this co-operative that normally should not be done, is just a lot of balderdash. The hon. member is completely out of order in making such a statement in this House. That is one of the reasons why I want—

Mr. Bryden: Will the hon. Attorney-General name who they came from, then?

Hon. Mr. Roberts: On the floor of this House right now?

Mr. Bryden: Will the hon. Attorney-General name where they came from?

Hon. Mr. Roberts: Yes, I will. Usually the position is that my hon. friend is trying to push for action against the sale of shares. In this case apparently he is trying to do all that he can to—

Mr. Bryden: I am on the farmers' side.

Hon. Mr. Roberts: That is what he is trying to do at the moment—

Mr. Bryden: That is right.

Hon. Mr. Roberts: Now let me proceed. Due to the lack of information in a brochure used in connection with this offering, complaints were received from members of the public who are neither members nor shareholders of the issuing company. The commission then proceeded to investigate, in order to ascertain whether the issuing company was being operated on a co-operative basis within the meaning of the statutory exemptions already noted.

No common shares had been issued, except directors' qualifying shares, nor is there any evidence that the company has any members.

It appears the only form of financing presently contemplated is through the sale of unsecured debentures to the public generally. When sufficient funds are raised to construct a packing plant, or packing plants, the operation could be placed on a co-operative basis by producers in the locality of a packing plant becoming associated with the debentures through membership as shareholders.

In short, the public was being invited to provide the preliminary financing to create a co-operative system, without the right to participate in the profits, which is the basic idea behind co-operative companies and the incentive, no doubt, which has contributed to their success.

In face of the evidence disclosed, the company was afforded an opportunity to make representation.

I am reading right from the report and I quote:

Mr. C. W. McGuinness, the president, first attended and then requested an adjournment in order to be represented by counsel. In the course of submissions made by counsel, nothing new was developed to alter the simple fact that the company was seeking initial financing outside the framework of a co-operative organization to enable it to ultimately become a co-operative company subject to the requirements of part 5 of The Corporations Act, 153.

On the strength of these facts, which are really not disputed, a ruling is made that the subject company is not at present being operated on a co-operative basis, and a formal order has been issued giving effect to the ruling, and depriving the company the use of the statutory exemptions upon which it was relying.

That is the position at the present time.

The hon. member for York South has referred to the right to appeal which, of course, exists. He has also referred to alternative methods.

If the solicitors, and the financial people who are their advisors, can go to the commission with a proper scheme and a proper set-up, or get themselves within part 5, then they do not have to go to the commission. They can operate.

But would the hon. member, or any other hon. member in this House, suggest for a minute that it is not the duty of the commission to treat all these things alike and deal with them on their merit?

Mr. MacDonald: The hon. Attorney-General started out with a very florid comment, which his later comments did not substantiate. He has not said anything that I did not say.

I said I agreed that when the case was put to the commissioner that he had to rule on it, and my assessment of it is that the decision with regard to the bond issue—before they had got their plants into operation, and before they had sold share capital—has some validity in it.

I am not disputing it, and I did not dispute it before, but the net effect is that in the midst of their drive, a legal monkey wrench has been thrown into the works. And I personally cannot see yet, Mr. Speaker, why the Ontario securities commissioner could not

have made it explicit to these people that if they cannot sell debentures because they have not got assets upon which to sell those debentures, they can sell share capital, in keeping with the established procedure, in establishment of a co-operative. However, he did not say that. So, at the moment, the whole situation is uncertain.

Hon. Mr. Roberts: It is not the duty of the commissioner to, nor dare he, start to set out plans of that sort for people. But this company has a very good firm of solicitors, and they are quite capable of working out a plan, I am sure. And if they do, why, they will be able to—

Mr. MacDonald: Let us leave the case here with the reiteration of my plea to the hon. Minister of Agriculture that the co-operative come under his jurisdiction. And I hope that he would believe that a co-operative built even by people like the hog producers, for whom he has developed animosity, would still be a worthy project; and that he would do everything within his power to clear away these difficulties so that they can proceed with the building of their co-operative, which may well become one of the historic co-operatives in the province of Ontario.

Hon. W. A. Goodfellow (Minister of Agriculture): I have no animosity against any living soul and never have had.

Hon. Mr. MacDonald: Mr. Speaker, I want to turn to another matter—two major items of unfinished business before this House on which the hon. Prime Minister and the hon. leader of the Opposition have already commented at some length.

I would assume from the hon. Prime Minister's comments, that in his view, it is really finished business.

The government is in control of the situation and I suppose, for better or for worse, that may well be the case. But at least some of us who have been interested in it have the right to make some comments.

I am referring to the two Royal commissions which I will describe, for purposes of simplicity, the Macdonell Royal commission—which looked into the so-called Daley farm aspects of the Niagara parks commission—and, secondly, the McGillivray commission—which looked into Hydro's Sarnia land deal.

I want to discuss these two Royal commissions against the background of a very interesting panel discussion which took place on the CBC last February 28. It was a panel

in which the topic under discussion was public morality.

On the panel they had two people; one was Professor John Saywell of the department of history, University of Toronto, the other was a Toronto lawyer named Malcolm Robb, a man whom I understand acknowledges himself to be a supporter of the Progressive-Conservative party.

In the course of their discussion at one point, the moderator turned to Professor Saywell and said this:

Well, the great panacea in this country seems to be Royal commissions. What have you to say about Royal commissions, John Saywell?

Professor Saywell replied, and I quote the first sentence:

Royal commissions very seldom seem to find out anything that is in sharp contradiction to what the people who have appointed the commission have already decided ought to be found out.

The discussion went on. At one point, they were giving some thought to whether or not it would be a feasible proposition in Canada to have established a panel of judges to which the government could turn if they needed somebody to head an investigation into maladministration.

In the course of discussing how they might set up this panel, Professor Saywell said:

Could you not get some sort of body in Canada which was above politics—or as Goldwyn Smith says, is there no such thing as being above politics?

Mr. Robb replied:

You perhaps could get such a body above politics but first of all, as you say, when a judge becomes a judge, for all practical purposes he ceases to be a politician. However, if you are going to have an impartial commissioner, it becomes an almost certainty that you will never see him appointed on a matter in which a government appointing him is generally concerned that something will be brought out in its disfavour.

Mr. Speaker, here were two disinterested individuals; one is a professor of Canadian history, familiar with the experience of Canadian history. The second one is a lawyer familiar with the legal processes and what goes on at Royal commissions. Their discussion was in general terms, without reference to any specific cases. Their conclusion was, as far as Mr. Robb was concerned, if I

may quote it in summation, that if a commissioner was known to be genuinely impartial, he would never be appointed. By inference, Mr. Robb, in fact, was saying that a commissioner is appointed because he is known to be partial to the government which appointed him.

Against this background of quotations, those which I shall take as my text, I now propose to take a look at these two Royal commission reports. The first one, the Macdonell commission, has to do with the Daley farm.

I think it is very useful that we should recall the immediate origin of this Royal commission. This issue was raised before the last session of the House, and subsequently by myself in the House, and as a result the government took action. They sent that portion of the issue dealing with the operations of Niagara parks commission, as a whole, to the public accounts committee; they sent the Daley farm aspect of the issue to the committee on privileges and elections—by motion, last February, of the hon. Prime Minister and the hon. Minister of Labour.

When this issue was being discussed before the public accounts committee, which is chaired by the new hon. Minister without Portfolio from St. Andrew (Mr. Grossman), we sought to have an investigation of that aspect of the Niagara parks commission operations which permitted, for example, certain of its personnel to work on private property, including the Daley farm, and that aspect of the Niagara parks commission's operations which resulted in them purchasing produce from the Daley farm.

We were ruled out; this was beyond the terms of reference of the public accounts committee.

We were told that it had to be considered by the committee on privileges and elections.

So when we get before the committee on privileges and elections, we tried to discuss not only the purchase of the farm and all the details with regard to the purchase, but we also tried to have an investigation into the operation of the Daley farm.

We were ruled out and were told that the terms of reference did not permit this.

However, interestingly enough, Mr. Speaker, after we had discussed it, both Opposition parties—the Liberals as well as the CCF—agreed in the report that while there was no evidence of collusion between the hon. Minister of Labour and Mr. Schmon from whom he bought the farm and who, in turn, some 3 years before, had bought it

from the Niagara parks commission, it was still indiscreet of the hon. Minister to purchase property which had previously been part of the parks commission under his chairmanship. Unless this conclusion were included in the report, the Opposition hon. members were not going to go along with the report.

The meeting which resulted in that report being produced, concluded on a certain day after 12 o'clock noon. The House met less than 2 hours later, and the hon. Prime Minister rose in this House and said that he had had an opportunity to see the report and that he did not like it. What he was determined to have was complete exoneration of the charge of indiscretion on the part of the hon. Minister.

He therefore, Mr. Speaker, implemented the law of Killaloe—his own pronouncement. He denied the right of this House to receive a report from its own committee. In fact, the House has never yet received that report.

This came from an hon. gentleman who told us a couple of days ago that he had great respect for the traditions of Parliament. That committee has never yet reported to this Legislature. The hon. Prime Minister rose in the House and significantly, within two hours of the time the committee had finished its operations, announced the appointment of the Royal commission, naming the commissioner, Judge Ian Macdonell.

Having determined that he was going to get a whitewash of this issue and eliminate the charge that there was any ministerial indiscretion, the hon. Prime Minister chose his commissioner well and nobody was surprised that he got the exoneration he sought, because, when the report came out, this is what the Royal commissioner said:

A private deal made after negotiations 3 years later, at a substantial increase in price, could not be regarded—

And I ask you to consider this, Mr. Speaker—as even having the appearance of a conflict of interests on the part of Mr. Daley.

This was the conclusion the Royal commissioner came to despite the fact, Mr. Speaker, that the hon. Minister of Labour came into possession of land that had been park land under his own chairmanship, 3 years earlier—despite the fact that the sale by the Niagara parks commission to Mr. Schmon was illegal and had to be validated 7 years later by a special order-in-council; despite the fact that the sale was irregular in that it had been made without calling for public tenders and without any effort at getting independent appraisals; despite the

fact that the Daley purchase from Mr. Schmon had been anything but an arm's length deal—for in completing it the hon. Minister had no lawyer to protect his interests, and he relied completely on Mr. Rollason the vendor's agent, who even went so far as to pay the hon. Minister's land tax for him; and finally, despite the fact that Mr. Rollason, while a fellow-member of the Niagara parks commission, played a key role in both the original sale from the Niagara parks commission, and later in the sale from Mr. Schmon to the hon. Minister.

In spite of all that, Mr. Speaker, the hon. Prime Minister chose his commissioner so well that the commissioner reported that there was not even an appearance of conflict.

Hon. A. Grossman (Minister without Portfolio): What does the hon. member mean by that statement?

Mr. MacDonald: I mean what Malcolm Robb said—that he chose a commissioner whom he knew would bring in the kind of report that he wanted. What Malcolm Robb and Professor Saywell said was the record of history of Royal commissions in this country. Now, go back and dispute their judgment.

Now, Mr. Speaker, Judge Macdonell is entitled to his personal views on this issue. But when personal views are so seriously in conflict with the facts, some of which I have just spelled out here, others are going to be entitled to their views and the public will have to make up its own mind.

Mr. A. H. Cowling (High Park): They made it up in two by-elections.

Mr. MacDonald: No, they did not. Mr. Speaker, may I deal with this interjection from the top bench over here? I have as much confidence in the judiciary as has the hon. member. But, Mr. Speaker, when a judge gets down off the bench into the political arena, he is a judge no longer. And, secondly, even if I take it out of that context, if a judge does not do a competent job on the bench, the judge is no sacrosanct person.

If hon. members do not think this contention is valid, I would remind them of an instance about a year ago.

A distinguished criminal lawyer called Arthur Maloney, upon reading the judgment of a certain magistrate in this city, and which he considered to be a gross injustice, was quoted in the paper as saying he was going to make representations to The Attorney-General's Department to have the magistrate removed from the bench.

It just showed how much respect he had for that magistrate—

Hon. Mr. Roberts: Because the commissioner does not agree with the hon. member is no reason why we have to hear the whole case.

Mr. MacDonald: He does not agree with the facts. He ignores the facts—

Hon. Mr. Roberts: It seems to me that the hon. member is delivering the MacDonald commission now; not the Macdonell commission.

Mr. MacDonald: Mr. Speaker, the most disappointing feature of Judge Macdonell's report is that he notes cases of questionable administration, then proceeds to make excuses for them. In fact, his honour leans over so far backwards to bring in a report favourable to the government that he even fell into an open contradiction.

In reference to the Schmon purchase from the Niagara parks commission on page 13 of the report, he states this; and I am quoting:

On the evidence before me, I cannot escape the conclusion that the sale was an advantageous one, that a fair price was obtained and that the law was complied with.

Three pages later, page 16, he concludes his summary and this is what he said:

Again to summarize, I find this transaction was also a desirable, advantageous one for the commission, although no independent appraisals were obtained. It was, however, illegal or at least irregular, at the time it was carried out, as it was not approved by an order-in-council.

Now, Mr. Speaker, how can it be claimed with reference to one and the same transaction that "the law was complied with" when it is "illegal or at least irregular"? That is the kind of a puzzle that you and I as laymen will have to sort out after the judge has made his pronouncement.

But regularly throughout the report—this is not the end of it—Judge Macdonell notes serious irregularities. Then, he proceeds immediately to make excuses for them. For example; after noting the illegality of the original purchase and the sale to Schmon, he said this:

But in view of the validating order-in-council this aspect would now appear to be academic.

Later on it goes even further:

I do not think however that any serious blame could be attached to any member of the commission and in particular the chairman, a layman, for overlooking this technicality. No doubt they assumed a procedure which has been followed in the past was correct, and relied upon the officials and counsel for the commission. I have no doubt that if an order-in-council had been asked for, it would have been passed as a matter of course.

Now, this kind of reasoning, Mr. Speaker, is alarming to say the least. Ignorance of the law is no excuse on the part of even a layman. But ignorance of the law, under which the commission was operating, on the part of the paid legal counsel of the commission, is surely intolerable. Moreover, since when is failure to live up to a law a "mere technicality"?

This is the kind of observation we have come to expect from public officials when caught in a breach of the law, rather than a Royal commissioner investigating a breach. Finally, what relevance is there in the assertion that an order-in-council would have been immediately forthcoming if it had been asked for? The law demanded and stated—

Hon. Mr. Roberts: The hon. member is again getting into a field which is very misleading. I would ask him to try to state just what did happen.

Mr. MacDonald: The hon. Attorney-General will have an opportunity to make that speech later.

Hon. Mr. Roberts: The hon. member is just misleading the House. That is all he is doing. The facts are quite different from that, quite different.

Mr. MacDonald: I am giving the facts.

Hon. Mr. Roberts: Those are not the facts.

Mr. MacDonald: Those are facts. They are right from the report. Mr. Speaker, would you please have the hon. Attorney-General sit down?

Hon. Mr. Roberts: I should know more about the facts than the hon. member does. I happened to be in the position where they were given to me.

Mr. Speaker: I think it is generally accepted in the House that members can express their opinions. They can express their suspicions. They can request their colleagues to do certain things, or desist from doing

other things. I would now ask the Attorney-General to be seated.

Mr. MacDonald: Thank you, Mr. Speaker. Finally, Mr. Speaker, what relevance is there in the assertion that an order-in-council would have been immediately forthcoming if it had been asked for? The law demanded and stated clearly that it should be asked for, but it was not.

Hon. Mr. Roberts: It was asked for.

Mr. MacDonald: It was not, Mr. Speaker. The hon. Attorney-General is talking in ignorance. The order-in-council was obtained 7 years later.

Hon. Mr. Roberts: If the hon. member would sit down for a few moments—

Mr. MacDonald: No. I am not going to sit down and let the hon. Attorney-General obstruct my presentation. I am not afraid of the truth. Go back and read the report. Perhaps, if the hon. Attorney-General knew something of what he was talking about, he would not be wasting so many words. He is jumping around like a bantam rooster with its head cut off.

Mr. Speaker, that surely is a point which the judge should have made emphatically, instead of lightly dismissing the oversight. However, how does his honour know that it would have been immediately forthcoming? Does the Lieutenant-Governor-in-council automatically provide orders-in-council to authorize sales even when there has been no advertisement, no tenders called, no independent appraisals made to protect the public interest?

If so, then the government would be guilty of loose administrative practices, as the report found the commission to be. Clearly, it would have been much better for the judge to have stuck to a presentation of the facts. Rather than wandering off into speculative opinions, perhaps he could have put them more clearly without the confusion of commentary and the hon. Attorney-General could have grasped them.

I give another example, Mr. Speaker: In commenting on the Niagara parks commission procedures in the sale, Judge Macdonell stated this:

It is, however, trite to say that a public body in selling land should generally advertise the land for sale and at least call for tenders. It is also useful to obtain independent valuations or list properties with regular real estate brokers. I think

it is now conceded by all that at least some of these steps should have been taken even though in all probability they would not have affected the result.

Now, Mr. Speaker, it may be "trite" to say a public body should adopt one or other of these recognized procedures for protecting the public interest in selling land. But the fact of the matter is that all too many public bodies, including the Niagara parks commission, are not doing so. And this is the reason why we are getting into a lot of difficulty.

Usually, the excuse given is that no more money would have been secured in any case. But how can you tell whether any more money would have been secured unless you call tenders?

Here again, the Royal commissioner is making excuses instead of asserting in ringing tones what the recognized procedures should be and that they should be followed. All of which emphasizes the most disappointing aspect of this report. Judge Macdonell had an opportunity to do for a public body, such as the Niagara parks commission, what Judge Sweet did for municipalities: namely, to restate in vigorous and unmistakable terms some of the long-established but often breached rules of public administration.

In doing so, his report would have been a guiding light to those sitting on such bodies, to the government and to the public, helping to lead us back to a strict adherence to the acknowledged principles of public administration. Instead, Judge Macdonell chose to write a report which, insofar as the evidence would permit, made excuses for these violations and irregularities and rationalized the conduct of those involved.

One is forced, Mr. Speaker, to the conclusion that some public inquiries are established to clean up the situation, while others are established to cover it up insofar as the evidence will permit.

But even more shocking, Mr. Speaker, than Judge Macdonell's report is the comment of the hon. Prime Minister on the report. He immediately concluded from this political whitewash, and I am quoting now the hon. Prime Minister:

It is a complete vindication of Mr. Daley and the Niagara parks commission.

In contradiction of that statement, Mr. Speaker, for the benefit of the hon. Attorney-General who, obviously, has not read the report, the report made and implied the

following criticisms of the Niagara parks commission:

First, with respect to the original purchase of the land from Broderick and its subsequent sale to Schmon, this is what it said:

It was illegal or at least irregular at the time it took place because no order-in-council was sought as the governing Act requires.

Second, with regard to the sales procedure:

It is trite to say that a public body in selling land should generally advertise the land for sale or at least call for tenders. It is usual to obtain independent valuations or list properties with a regular real estate broker.

None of these precautions were taken. And in testimony, some of the Niagara parks commissioners indicated clearly that they still will not believe that it is necessary.

I will give the hon. Minister of Labour credit. This is one lesson he learned, for he said they would never sell even a blade of grass without a tender from this point forward.

Third, the evidence is undisputed on the point that there was no recorded minute indicating the Niagara parks commission decision to sell the Broderick farm as "surplus." This was done by general agreement with no recorded minute in the book to authorize it.

Fourth, though Mr. Rollason, one of the commissioners, had been a real estate agent for Mr. Schmon since 1930, and had informed him of the availability of the Broderick farm, and though this same commissioner took part in the Niagara parks commission's discussions which led to the sale, Judge Macdonell states, and I am quoting:

Apparently no mention was made by him of his relationship with Mr. Schmon.

And his honour adds:

Unfortunately, Mr. Rollason is not alive to defend himself, but I think clearly his connection with Schmon should have been disclosed at the meeting.

In short, Mr. Speaker, the evidence indicates and the report, in part at least, documents that the Niagara parks commission operated as a little family compact, ignoring many of the standard rules and procedures in public administration. Indeed, the hon. Minister of Labour testified that, after the election of 1943, Prime Minister George Drew appointed him chairman of the Niagara parks commission and told him to go ahead and pick his commissioners. Mr. Speaker, he picked a circle of his own friends who have

been operating as a family compact ever since.

The honesty of these men is not in question. But if honest men ignore the law and violate the acknowledged rules of conduct for those in positions of public trust, then dishonest men may pursue their ways with greater assurance that they can do it with impunity. And, surely, that is rather a fundamental fact that, apparently, a judge could not even recognize.

Furthermore, when Royal commissions minimize and Prime Ministers ignore such loose administrative practices, they add to the basic problem of developing a public determination to rectify the situation.

The hon. Prime Minister's self-satisfied reaction becomes even more astounding in view of the fact that during the hearings of the public accounts committee and later the committee on privileges and elections, during a legislative debate in fixing the terms of reference for the Royal commission, and again in personal correspondence that I had with him in the concluding days of the Royal commission hearing, the hon. Prime Minister absolutely refused to permit a full investigation of this issue.

Mr. Speaker, the question at issue is not simply, and it never was, that there was an appearance of merely conflict between the hon. Minister's private interests and public responsibilities. Rather, Mr. Speaker, it is a question that the appearance of potential conflict of interest had become a reality, through the use of Niagara parks commission full-time personnel on the Daley farm and the sale of Daley farm produce to the Niagara parks commission.

With reference to widening of the terms of reference in the investigation, Judge Macdonell made this significant comment at the hearings:

It might be a good idea if it were done here and now, but I have not been asked to.

The hon. Prime Minister deliberately fixed and maintained limited terms of reference so as to preclude the investigation of the very phase of the matter which would have proven conclusively not only the indiscretion, but the genuine conflict of interest, involved in the Daley farm.

I would like to remind this House that when the Royal commission was set up last April 11, as may be found on page 2584 of *Hansard*, the hon. member for Woodbine and I, after two vain efforts in committees of this Legislature to get an investigation of this park which would have proven

conclusively the allegation, and when I raised it once again with the hon. Prime Minister and reiterated it repeatedly through some 2.5 pages of *Hansard*, the hon. Prime Minister made this comment, and I quote from *Hansard*, page 2584:

Mr. Speaker, I am quite prepared to look at that. As a matter of fact I have not given that consideration. It seemed to me that such a thing as that was really so nonsensical that it did not require the determination of either the House or the judge. But if it is a matter of serious import I am quite prepared to discuss it with the hon. leader of the Opposition.

That the hon. Prime Minister said it was nonsensical to suggest that we should investigate the reality of a conflict of interests, for the hon. Minister of Labour to use full-time personnel on his farm and selling produce of his farm to the Niagara parks commission — points which the CCF counsel sought to have brought before the Royal commission and was ready to bring witnesses to document—shows how determined he was not to broaden the terms of reference.

In fact, he wrote me a letter. I had written to him after the judge made the comment that it would be wise to look into it now, but he — the judge — had not been asked to. I got a reply dated May 23, from Lindsay. I want to quote a couple of paragraphs just to show how utterly incredible is the specious argument of the hon. Prime Minister in refusing to come to grips with this issue, and refusing a full investigation.

This is the relevant portion:

In my opinion, and I think that of all reasonable persons, it would be a travesty to inject into this important inquiry matters completely extraneous to the fundamental points to be considered.

Mr. Speaker, the fundamental point was the conflict of interests in the conduct of the hon. Minister of Labour, not only in buying the farm but also in the subsequent operation of the farm. Yet this is an "extraneous matter," said the hon. Prime Minister!

His letter continued:

I commend to you a careful study of the reading of that statement which you have apparently not made,

he wrote sarcastically. I continue to read:

The whole purport of the same is that if the reference concerning the land transaction was not adequate, it would be made so. There is not the slightest suggestion that it is not completely adequate. I point

out that the Minister, the House and the public are entitled to the determination of the charges you have made in connection with these land matters, without the injection of things which would not have the slightest thing to do with the matter under investigation.

That is really, Mr. Speaker, the most barefaced kind of evasion of a point all in a determined effort not to come to grips with the issue that should have been investigated. But he goes further; I am quoting again:

I point out that the matters to which you now refer would have been very properly the subject of an inquiry on the part of the public accounts committee, which was dealing with all things relating to the commission's methods of business, and the public accounts committee refused to investigate it.

Well, Mr. Speaker, both the public accounts committee and the committee on privileges and elections chose, rightly or wrongly, to refuse to investigate the whole issue. The hon. Prime Minister refused to extend the terms of reference in the House when the commission was set up; he refused because the hon. Prime Minister, I suspect, was fearful that if a full investigation were held, the charge that was made would have been documented so solidly that the judge would be bound to indicate that in his report.

However, Mr. Speaker, I want to digress for one moment to deal with another interesting aspect of this matter, and that is the role of the Liberals in this particular investigation.

When this matter was investigated by the committee of privileges and elections, a decision was made in which both of the Opposition parties insisted that, while there was no evidence of collusion, it was indiscreet for the hon. Minister to have bought land that was previously part of the parks commission under his chairmanship.

And when the hon. Prime Minister concluded a comment which I quoted a few moments ago, he said—as found on page 2584 of *Hansard*—that:

If it is a matter of serious import, I am quite prepared to discuss the matter with the hon. leader of the Opposition.

I have never yet figured out why the hon. leader of the Opposition did not take advantage of that invitation from the hon. Prime Minister, to get a full investigation, which would have vindicated the stand that he and the hon. member for Grey South (Mr. Oliver) took, on the committee of privileges and elections.

Mr. J. J. Wintermeyer (Leader of the Opposition): Did the hon. member expect me to succeed where he failed?

Mr. MacDonald: He did not even attempt it.

Mr. Wintermeyer: How does the hon. member know that?

Mr. MacDonald: I will tell him. When we got down to the investigation, counsel for the Liberal party, the hon. member for Sudbury (Mr. Sopha) indicated that he had been instructed—I will not presume to guess from where—not to seek a broadening of the terms of reference. So, wittingly or unwittingly, I can never figure out on which basis the Liberals operate sometimes, they succeeded once again in working along with this government to preclude a full investigation to have proven the charges that have been made.

Now, Mr. Speaker, I turn to that second Royal commission. I want to discuss it briefly, within the context of Professor Saywell's and Malcolm Robb's comments on the "impartiality" of a Royal commission.

I do not propose to discuss the contents of this report in detail. I will leave that to the hon. member for Woodbine who, I suggest, knows more about it than any other hon. member in this House.

For the moment, my chief concern is once again the hon. Prime Minister's statement made upon release of the report, and I am quoting the hon. Prime Minister:

The people of Ontario can have every reason for satisfaction in the standards of public life in this province.

Now, Mr. Speaker, no objective person could have followed those hearings without the deepest misgivings with regard to the standards of phases of our public life. Here we had a company, Dimensional Investments, dealing with millions of dollars, yet operating in the most slipshod and irregular fashion, violating The Corporations Act in its regulations almost at every turn.

Here we had a great public commission depositing \$1.25 million of the people's money in escrow in a bank, thereby providing more than the downpayment for Dimensional even before the promotional company had completed the deal with the Crown acting for the Indians—indeed, enabling them to complete the deal.

Here we have the top officers of the property division of Hydro being the recipients of favours from men with whom they had done

business and whom they had reason to expect were anxious to do further business with Hydro.

Here we had, Mr. Speaker, a conspiracy—to use the flat charge of the Liberal counsel, a distinguished jurist and lawyer, Mr. Kellock. Who was in the conspiracy and exactly what was its ultimate purpose certainly is not known now and we shall never know, for the glare of publicity wrecked the plans of the conspirators before they had completed it.

Here they have a company, Can-Tex by name, which was resurrected after being inoperative, obviously for the purpose of being the payoff company. Its secretary, James B. Trotter, was recommended by A. J. B. Gray. Payments were made by the secretary on the instructions of Mr. W. C. Clark, who was not an officer nor apparently a shareholder, but was one of those involved in the Dimensional deal from the outset.

On at least one occasion, the secretary paid Mr. Clark a large sum on Mr. Clark's own request, but only after clearing it with A. J. B. Gray. Clearly, the secretary of Can-Tex had permitted himself to become the innocent tool of the conspirators. When he found out that it was a hot political issue, he resigned.

Furthermore, Mr. Speaker, when I charged that there was a juicy deal involved, including contributions to the Tory election chest, nobody can or has yet proven that this is not the case and that statement applies to Judge McGillivray in his report.

Mr. A. F. Lawrence (St. George): The hon. member has not proved anything on that.

Mr. MacDonald: You are right, but you have not proven that it is not, nor has the judge. I will give you a way to prove it. I issue to you once again an invitation that I have issued many times. That is, just let the Tory party, instead of saying that they do not get contributions from Dimensional, or the bank or the highway contractors, open up its election accounts to the public audit so the public will know. Until the hon. member is willing to do that, he will just have to sit and be quiet, because we will continue to suggest to the public for its enlightenment, where the Tory party is getting its funds.

Mr. E. Sandercock (Hastings West): Where is the hon. member getting his?

Mr. MacDonald: It is public knowledge. Through a public account audited and available to everybody who wants to look at it.

The judge was obviously reluctant to investigate the case fully. This is a point, Mr.

Speaker, that I think we should as a House note carefully. The judge was reluctant to investigate the Sarnia land deal fully.

On one occasion, a stated case had to be taken to the court of appeal of Ontario where the decision of the commissioner not to receive evidence was overruled even by his own regular colleagues on the bench.

In fact, he had to be threatened a second time with taking the stated case before the court of appeals before he would proceed with another phase of the investigation, which, eventually, turned up evidence on the existence of the payoff company, Can-Tex.

Finally, after only the most persistent efforts on the part of the Opposition party's counsel, whose presence at the hearing was deplored by the hon. Prime Minister as unprecedented and irregular, did the commissioner unearth some of the conspiracy.

Mr. Speaker, just as an aside, may I say that if the Opposition party had not had counsel at the hearings we would have had an even bigger whitewash.

Hon. Mr. Roberts: Send it to the Legislature.

Mr. MacDonald: Moreover, that part of the conspiracy revealed that A. J. B. Gray had a signed agreement to receive \$215,000 in addition to another agreement for a commission of \$60,000. For whom was this, may I ask hon. members of this Legislature? Does anyone for a moment think that all this money was for Mr. Gray himself, for his rather vague and rather limited contribution to the whole venture?

How much of that money, once it had been paid, was going to find its way to Can-Tex for unspecified individuals or political parties? I cannot say. Judge McGillivray cannot say. The hon. Prime Minister cannot say. The case is not proven, because the conspiracy was nipped in the bud, Mr. Speaker, because of the glare of the publicity shed upon the operations of Dimensional from the time I raised this issue in the election.

Mr. Speaker, A. J. B. Gray first denied the existence of any agreement. So, when the agreement finally came before the commission, the senior Metro officer revealed himself to have committed perjury in the most blatant fashion.

But the judge merely described Mr. Gray's evidence in his report as "lacking in candour." Surely, Mr. Speaker, that is the understatement of the century.

Now if in view of all this sorry mess, the

hon. Prime Minister can assert, for his own propaganda and political purposes, that Ontario has every reason for satisfaction in its standards of public life, then all I can say is that I firmly disagree.

In view of the highly political nature of these reports, the proposal of the hon. Prime Minister that I should resign because my charges are supposedly without validity is patently obvious as a propaganda move. I have no intention of resigning.

When I stood for re-election in York South in the last election, my role in exposing the whole pipe-line scandal, which had brought 3 cabinet resignations, was well known. Despite the personal intervention of the hon. Prime Minister, my majority was greatly increased—just as the intervention of the hon. Prime Minister was rebuffed by the electors in the two ridings where he sought to have two cabinet ministers re-elected.

This is the mandate that I am operating on, and no cheap political challenge from the hon. Prime Minister or anybody else for me to resign is going to deter me in attempting to have the government live up to some of the basic principles of public life and see that others coming under their jurisdiction do so too.

Which brings me to the final phase of my remarks—concerning those who come under the jurisdiction of this province—the municipalities.

Mr. Speaker, in the last year we have had 4 reports following investigations presented to this House. Reports have been made concerning the situation in Belleville and York township, in Arnprior and Eastview.

Now some people have argued, Mr. Speaker, that it is unfair to pick on these particular municipalities and to expose them to the glare of publicity and the embarrassment and the expense and everything else that comes with this kind of an investigation.

Now I think there is some validity in this contention. I have heard it many times out in my own township, York township. There is some validity in it for this reason: It is widely asserted by editorial writers and others that some of the things that were unearthed in the investigations in these particular municipalities are going on in other municipalities, in greater or less degree. In other words, the disease is not confined to any one particular place.

I do not think a conclusion should be drawn from that that there should not have been investigations in these particular areas despite the embarrassment it has created. I

do not think it condones what was revealed. But I think, Mr. Speaker, it surely does place a very serious obligation upon us as members of this Legislature to consider what should be done so that this disease can be contained—indeed that it might even be cured.

The interesting thing, Mr. Speaker, is this. There is a consistency in the pattern of the reports following these various investigations. In Belleville, for example, the whole trouble emerged from some say well intentioned efforts to finance a world hockey team through the back door of city hall. The only thing wrong is that they were violating regulations and laws in the process and they got themselves into difficulties. But it was a failure to live up to the law and the regulations.

In York township, Judge Sweet makes this comment in summation; that there were "flagrant and continued infractions of bylaws."

In Arnprior, the commissioners made this comment:

"A whole mêlée of illegalities and irregularities."

Now as for Eastview, Mr. Speaker, the situation defies description.

When I was reading through my copy of the Eastview report I made a practice, for my own later guidance, of writing illegal or irregular on the side of the page each time something of that nature turned up. The report is just punctuated with notations. There is hardly a page on which there is not the recording of some illegality or irregularity.

Mr. Speaker, I think we have to be realistic here. I am not going to attempt today to deal with what I think we have to come to grips with later—perhaps in the estimates of the hon. Minister if he does not bring in amendments to The Municipal Act—that is specific changes in The Municipal Act, that are required. But in giving consideration to this, without getting into the details, I think we had better be realistic. No doubt, in municipalities which are operated by people who offer their public service, but are amateurs as public servants, mistakes will always be made. They learn only after they get into office, so there are going to be some unwitting violations of the law out of ignorance of the law.

These are not the most serious problems. It becomes serious if the unwitting violations of the law become compounded by sloppy administration—the kind of thing we found at Eastview.

There are other kinds of violations which this House must look at carefully. These are violations that arise from the fact that

the laws get out of date, because of changing conditions in the society in which we were living. A bylaw may have been in the statute books in the municipalities or on the statutes of the province of Ontario for so long that it needs to be brought up to date. Until it is, the people who are administering the affairs are going to be in partial or complete violation of that bylaw.

A lesson that emerges from this is that we have to institute some sort of procedure for regular review of bylaws in municipalities and, of course, in this House.

Sometime, I trust we will get around to a serious revision of The Municipal Act, which is about as out of date as a hoop skirt.

Finally, Mr. Speaker, there is a third kind of violation, and this is our real problem—violation of the law which is wilful and deliberate. For example, in the instance of York township, Judge Sweet says with regard to the reeve's purchase of property upon which he subsequently built his home that this was calculated and deliberate. He went to the solicitor of the township and asked whether he could buy the property and the solicitor said no. So then he purchased it through a nominee whom he had buy it for him as the first step.

Judge Sweet goes on to point to deliberate actions in land sales. This quotation is significant for other reasons that are obvious:

Whether or not the township received an adequate price for the land is not of the greatest importance in the matter. Whether or not there was a financial loss to the municipality is not the fact which is of the greatest significance in this situation. What is of the greatest importance and significance, and what is deplorable, is that there appears to have been an attempt to avoid the law. That attempt appears to have been studied and planned.

If we turn to Arnprior, we have revealed in the reports that the council deliberately asked the municipal board for authorization to sell debentures for certain public works when they knew that they must seek that approval before they had done these public works and when, in fact, the public works had been completed some months before they made their application to the municipal board.

In this instance, beyond any shadow of doubt, there was a deliberate deceiving of the municipal board.

What is the result? Certain of the citizens took action in court and had the decisions of the municipal board quashed. Related to this

is another little episode in the Arnprior report of which I think the House should take notice, because I think this is the background of some decisions that we must make. Let me read a paragraph from page 16 of the report:

It also appears from our inquiry that at the time Messrs. Mulvihill and Greene were solicitors for the company, they were also solicitors for at least some of the purchasers of homes from the company, and we have been provided with a copy of their certificate as to the title in respect to the purchase made by Sargeant James McCormick. It seems to us that we are not concerned too greatly with the propriety of the actions of these solicitors in this respect, as it has very little, if any, relationship to the affairs of the municipality. It is properly a matter for the law society, if any individual wishes to complain to that law society or if the law society wishes to act on its own motion.

Now, Mr. Speaker, that quotation does not provide the full story, namely that Mulvihill and Greene were the solicitors for the subdivision company that created all this difficulty. One of them was sitting on the council when the other made the initial representations to the council to get the agreement for this subdivision. Before the agreement was completed both of them were sitting in the council.

In their private capacity as solicitors, they drew up the agreement. In their public capacity as councillors, they voted on the agreement. There was one conflict of interest.

But that was not bad enough. Before the whole deal was over, these same two solicitors were acting not only for the subdivision company, but they were acting for prospective home owners who were going to buy houses from the subdivision company. And in the course of concluding the agreements for the home owners, they did not inform the home owners of their full financial obligations, namely, the fact that the subdivision company was going to be relieved of its obligation to pay for the sewers and the streets and that they, the home owners, were going to have to shoulder the cost as a local improvement.

As the commissioners state, Mr. Speaker, it is properly a matter for the law society if any individual wishes to complain to that law society, or if the society wishes to act on its own motion.

Now, Mr. Speaker, I want to ask this question. I have no idea, and I shall look forward with interest in this House to anybody who has an idea, as to how we are going to stop this kind of thing if people who deliberately

violate the law can do it with impunity, or if people deliberately violate their professional ethics and do it with impunity.

What puzzles me is that when this government has investigated and received, in a report, the reminder that it is the right of any individual or the law society on its own motion to have acted in the instance of Mulvihill and Greene, I am just a little bit curious as to why some action has not taken place.

Hon. Mr. Roberts: It is my understanding—and I get this secondhand—that those gentlemen were before the law society committee and that they were completely exonerated before it.

Hon. W. K. Warrender (Minister of Municipal Affairs): That is correct. Now I suppose the whole law society is wrong.

Mr. MacDonald: Well, Mr. Speaker, I have two comments to make on this. If they were before the law society, I think it would have been only right and proper—since they had been brought under a shadow in this report—there should have been some publicity to indicate that the shadow had lifted. I certainly do not recall any publicity with regard to the law society's consideration of it.

Hon. Mr. Roberts: I think I can say now positively that is the case because my friend the deputy is in the wings and he has indicated to me that what I said is correct.

Mr. MacDonald: Well, the other comment that I want to make, and I shall leave it there for the moment, is that if the commissioner's report is accurate, not only did these lawyers have a conflict of interest in being the private solicitors for the subdivision company and voting on it as councillors, but they subsequently acted as solicitors for both the subdivision company and the people buying homes.

I just cannot understand how they were exonerated, because these facts are set forth by the commissioners, and these facts constitute a serious conflict of interests to the point of a violation of their professional ethics.

May I ask the hon. Attorney-General, is there a written report as to the reasons of the law society, and is it available?

Hon. Mr. Roberts: I cannot answer at the moment about any written report. But I can say that, as Mr. Tolman is a member, and on the information which he has indicated

to me, these people were definitely before the committee and were exonerated.

Mr. MacDonald: Mr. Speaker, all I would say is that, having brought these people under a cloud by a government report which, presumably, is now inaccurate, I think it is the obligation of this government to clear the names of those men by a public explanation in this House.

Hon. Mr. Roberts: If the hon. Minister from that area were here, the hon. member would get it on the floor of the House right now; but he is not. He knows the story pretty well.

Mr. MacDonald: Yes. Mr. Speaker, I now get to, in general terms, the answer to this problem. How are we going to come to grips with it? How are we going to solve it?

We cannot make the excuse that the violation was committed with good intentions—as, for example, in the violation of rules and regulations to finance a world championship hockey team in Belleville. Some people down in Belleville argue, and I think even the hon. Attorney-General came close to arguing this on one occasion—that it was a great achievement and that Belleville, perhaps, got more publicity for the money spent on the team than if they had spent this money on public relations.

But, if the conclusion is drawn that it is all right to violate laws because the intent and the result are good, surely this is a rather dangerous proposition.

I think I can illustrate the kind of problem we have, and the sorting out in our thinking that has to take place, by a specific case that I noted in a Canadian Press dispatch of August 31. It is datelined Sherbrooke, Quebec, and it reads as follows:

Mr. Justice William Mitchell of the Quebec superior court today ordered Joseph Loubier, mayor of Compton township, removed from office and barred from holding office for 5 years for the violation of The Court Practices Act. Justice Mitchell made the ruling after the mayor was convicted of accepting \$50 as interest on the \$1,000 he loaned to his own municipality.

I think this is a good illustration, Mr. Speaker. It is a good case to take a look at, because I suspect the reaction of the average person is: What is wrong with a mayor loaning \$1,000 to his own municipality? Was it not even commendable?

Mr. Speaker, the only thing wrong with it is that it is illegal, and this is our problem.

If government, including this one, if muni-

icipalities, make an excuse for the violation of the law because the violation is achieving something which is commendable, I suggest that we are opening the door to very serious trouble.

I will not only suggest it; I will state it in terms which I think are noble.

Faced with the conclusive evidence of irregularities in York township, Judge Sweet asserted, in ringing terms:

The disregard by a law-making body for its own laws can only be expected ultimately to result in general disrespect for the law.

And his honour went on:

Illegality is an evil thing; it spreads and it contaminates. Where there is an evil illegality in the administration of a municipality, the public welfare is indeed imperilled.

What a striking contrast to listen to the hon. Prime Minister get up and make excuses for the revealed illegalities and irregularities of the Niagara parks commission, and Eastview, instead of proclaiming the law in those urging terms.

Mr. Speaker, these are not just noble words that Judge Sweet has written. They are a clarion call to return to some of the first principles of public life. And one of the main obstacles in getting back to some of these first principles is this government and its attitude.

I have suggested, if we are going to be able to stop this kind of thing, that penalties must be fixed for people who wilfully violate the law. If they are going to violate the law and get away with it, they will continue their violation. They will have an open invitation to continue it.

This brings us, Mr. Speaker, to the problem involved and that is the whole attitude of this government. I think it is well for us to take cognizance of the fact that everybody—and when I say everybody I am speaking of the normal range of editorial spokesmen—is very shocked at the attitude of this government towards this matter; everybody, I should say, except the Tories in the party machine.

Here is a quotation from the *Toronto Telegram* of May 7, 1960, the first paragraph of which reads as follows:

The inertia of the Ontario government towards the York township scandal is almost as monumental as Judge Sweet's report on it.

I have here a quotation from the *Toronto Daily Star* of September 20, 1960, which

refers to another aspect of the question. It says this with obvious validity:

Yet good government in Ontario municipalities should not have to depend on such capricious and convoluted legal exercises. It should not be necessary for a group of citizens to undertake expensive and lengthy court action with uncertain prospects of success to secure the removal of a municipal official whose flagrant misconduct has been clear beyond doubt in a report brought down by this government.

But I can go to an even safer paper to quote to this government, and that is the *Toronto Globe and Mail*. In their issue of May 24, 1960, they make this comment:

The provincial government is supposed to supervise and guide municipal government and it has wide powers for this purpose.

Where were all those authorities with all their supervisory powers and duties when York township began to slide into chaos? Why did they not discover what was going on years ago?

And then the *Globe and Mail* concludes with this final observation:

This prompts a disturbing thought. If Queen's Park did not know and did not care about York township, what does it know or care about any other municipality?

However, Mr. Speaker, if hon. members want to have what seems to me the most impressive proof of this government's willy-nilly approach to this problem, may I remind the House of a debate on April 6, 1960, when we were discussing the question of the Belleville inquiry? The hon. Minister had indicated that he sent two letters to Belleville, drawing attention to the fact that they were not living up to the rules and regulations.

He did not even get an answer to his second letter; they ignored it.

What was the hon. Minister's reaction? Rather pathetically, he got up in the House and said: "But I ask in all fairness, having warned them twice, what are we supposed to do?"

Is it not just a little bit ludicrous? These were provincial laws that are being violated.

Here is our problem. The hon. leader of the Opposition has called upon the hon. Minister of Municipal Affairs to resign. I have not called on the hon. Minister of Municipal Affairs in this instance to resign. And I have not done so for a specific and, I think, valid reason. For the hon. Minister of Municipal Affairs is obviously implementing government

policy. When a Minister is guilty of incompetence and neglect in the administration within his own department, as I believe the hon. Minister of Labour was at the time of the Hogg's Hollow disaster last spring, I think it is legitimate to say that this Minister should resign. But the hon. Minister of Municipal Affairs was clearly operating in accordance with the laid-down policy of this government.

If there was any doubt, the hon. Prime Minister cleared it up a little bit earlier in this debate when he reiterated his whole approach. But we have known it for some months now, because the hon. Prime Minister spoke in Cornwall last summer. There he enunciated a theory. It is a theory behind which this government is now taking refuge, namely, the autonomy of the municipalities.

May I say, Mr. Speaker, that I, like everyone else, would like to see the greatest possible degree of autonomy on the part of the municipalities. But let us face reality. Municipalities are creatures of the province. We add to their powers and we take away from their powers every time this Legislature sits. Their budgets come under the supervision, the veto and the direction of this government, all the time.

In face of that reality I think it is once again a little ludicrous to suggest that municipalities are autonomous to the point that the government cannot intervene when they have clear-cut violations of their own laws as well as municipal bylaws. If this government were consistent, as the hon. Prime Minister demanded the Liberals should be, why did they block fluoridation in certain municipalities after they had secured a favourable plebiscite?

How autonomous were they when this government had finished? "You cannot do it," the government decreed. The big stick was wielded at Queen's Park. "You may have a democratic decision on behalf of your voters back home, where you are masters. But oh no, your voters are not the people who are running the show. We are running the show from Queen's Park."

This was the action of this government in violating municipal autonomy in another context. Yet now they take refuge behind this plea for municipal autonomy.

Mr. Speaker, in this context the plea for provincial autonomy is an invitation for a continued violation of the law. It will result in continued violation of the laws, because of another theory which was advanced by the hon. Prime Minister a couple of days ago in this House. He advanced the theory that if the law is violated, but those who violate

it are subsequently endorsed by the people at an election, then presumably the violation of the law is condoned, and we do not need to worry about it any more.

This was the implication of the fantastic argument the hon. Prime Minister presented in this House the day before yesterday. Now it is not new. In the last election the hon. Prime Minister went across the province of Ontario saying: These certain nasty people had charged his government with a highway scandal back in 1954, but there was no highway scandal. Why? Because the Tories were re-elected back in 1955.

That wiped out the highway scandal, even though there had been convictions and certain corporations were fined \$10,000 or \$15,000. In addition, a lot of little people were put in jail for 6 months.

Now we have this sort of an argument again, because, in the statement of the hon. Prime Minister in the House earlier this week he expressed the hope between the lines, so to speak, that the mayor of Eastview would be re-elected next Monday and then the whole problem would be solved.

I suggest to you, Mr. Speaker, that, on the contrary, if the mayor of Eastview is re-elected next Monday, our problem is all the greater in this Legislature. For we shall have not only a mayor of Eastview, but, as a member of this Legislature, a man whose administrative record is replete with calculated violations of the law. The approach of the hon. Prime Minister is if he is re-elected then these violations have been condoned and excused by the people.

That is why I said that the approach of this government is an open invitation to the perpetuation and the widening of the scope of those violations. Consider what the report reveals, Mr. Speaker.

First, that land sales were made without appraisals or tenders, many of them to members of a little family compact of relatives and friends of the councillors and officials of the town. Secondly, that the mayor was a sleeping partner in a firm called Garcharls, securing favours from the town and personally authorizing services to be installed by the town for the company without the council's approval.

Hon. Mr. Roberts: Is the hon. member making a charge? Surely he can give them notice before he makes it.

Mr. MacDonald: Mr. Speaker, the ignorance of the hon. Attorney-General as to what is in these reports is colossal, it is monu-

mental. For his information I am quoting from page 32 of the report.

Third, securing an illegal pay boost under the guise of payments out of a distinguished visitors' fund. This, Mr. Speaker, with the mayor drawing \$1,600 of the \$3,200 allotment—and he drew it in a cheque the day before the council even authorized it.

Fourth, the mayor persuading the auditor to juggle the revenue figures for 1955 and 1956 so as to make a better revenue picture for the year 1955; to be found on page 47.

Hon. Mr. Roberts: The hon. member, by reading this, is making a charge against a fellow hon. member of the House.

Mr. MacDonald: Mr. Speaker, I am quoting from the report which was tabled. How fatuous can the hon. Attorney-General get?

Next, the protection and the retention of an incompetent treasurer despite repeated protests from the auditor—to be found on pages 67 and 68.

Sixth, the mayor's instruction to the treasurer to issue a cheque to the separate school board in excess of the amount to which it was entitled. This is after the treasurer had indicated that it was in excess—he said, go ahead and issue the cheque. Pages 68 and 69.

Seventh, insurance payments authorized by the mayor months in advance of their due date—on page 54.

Eighth, council relying on the mayor who knowingly authorized bank borrowings beyond legal limit. And on page 58 we find testimony from the treasurer herself to the effect that the mayor knew they were beyond the legal limit.

And finally, Mr. Speaker—and this I invite for the examination of the hon. Attorney-General—the testimony of William Bolton, departmental auditor, that the mayor and treasurer had sought to have him not report shortages of funds if the money were secretly replaced, to be found in the transcript—it is not contained in the report, for reasons that do not appear to me to be valid—on page 712 for July 22.

Mr. Speaker, I want to suggest that when the hon. Attorney-General looks into it he examine section 408(2) of the criminal code as to whether or not this action did not constitute a conspiracy under common law to deceive a government department.

Now in face of all this, Mr. Speaker, the mayor is quoted in the press as saying that the report is "not that bad after all."

And the hon. Prime Minister has already told the House, in effect, that if the mayor is re-elected the problem is resolved, because the people will have spoken.

There is an old cynical thesis that violation of the law is excusable if you do not get caught, and this government has now given it a new and more cynical twist. Violations of the law are excusable, in fact they are even wiped out, if you can just win the next election.

The moral foundations, Mr. Speaker, upon which democracy is built—that mutual trust between the citizen and the elected representative based on respect for the law—have been seriously undermined by the revelations in these municipal scandals. These reports belie the parrot-like repetition of the claim by the hon. Prime Minister that the standards of public life are high and beyond criticism.

Furthermore, Mr. Speaker—and this is the saddest aspect of the whole thing which I add more in sorrow than in anger—I see little prospect of correcting the situation unless and until the government is willing to tackle the situation vigorously, instead of evading its responsibilities; unless and until the government forsakes the law of Killaloe, enunciated by the hon. Prime Minister in this House during the last session, namely, that the head of a government, whether it be provincial or municipal, can twist the traditional principles upon which our public life is built or alter the laws to suit his own interests and convenience.

This government has refused to clear up scandals in its own midst. At least I will have to give it credit for consistency; because now it is refusing to clean up scandals which have been revealed in some of its creatures, the municipalities.

For this reason, Mr. Speaker, I move, seconded by Mr. R. Gisborn—I know this will please hon. members—that the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House be amended:

(a) By adding to clause 4 thereof the following words: “and the fact that it has actually added to those problems by wielding the big stick of its arbitrary powers under Bill No. 86 of 1960,” so that the clause as amended will read as follows:

“(4) Regrets the government’s failure to cope with the many problems of serious

concern to Ontario farmers, and the fact that it has actually added to those problems by wielding the big stick of its arbitrary powers under Bill No. 86 of 1960”;

(b) By adding to clause 5 thereof the following words: “operated by a government agency,” so that the clause as amended will read as follows:

“(5) Regrets the government’s failure to introduce a comprehensive medical care insurance plan operated by a government agency”;

(c) By adding thereto the following clauses:

“(6) Regrets the government’s bland complacency in the present unemployment crisis, as demonstrated by its failure to announce any intention to submit to this House supplementary estimates to meet such urgent needs as immediate large-scale public housing and stimulation of consumer purchasing through increased unemployment and welfare benefits; and

“(7) Regrets the government’s failure to present comprehensive and co-ordinated plans of economic and social development so as to ensure a continuous and steady rate of growth and prevent unemployment crises in the future.”

Mr. A. H. Cowling (High Park): I move the adjournment of the debate.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before moving the adjournment of the House, with respect to business for tomorrow as was indicated by the hon. Prime Minister a few days ago, it is the intention of the government for a period in the morning after 10.30 to deal with business in the private members’ field, and notice of motion No. 2 in the name of Mr. T. D. Thomas will be called and the House can proceed there for a time, and then, perhaps, there will be some bills advanced and the Throne debate.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, December 2, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 2, 1960

10.30 O'CLOCK, A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition was brought up, laid on the table, read and received:

Of the corporation of the city of Toronto asking for an addition to the bill, validating the action of the returning officers for the municipal elections, for the years 1961 and 1962, made necessary by the death of a candidate for the office of controller.

Mr. Speaker: Presenting reports by committees.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I beg leave to present the interim report of the select committee appointed to examine the administrative and executive problems of government.

Mr. Speaker, it is not my intention to speak on this report at this time other than to say that a copy of the report will be on the desk of each hon. member in a few moments. It will be released to the press in a short statement by way of press release and will be available shortly. Of course it will be debated in due course when called. I would move, Mr. Speaker, that it be placed on the order paper for further consideration.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

Orders of the day.

Hon. J. W. Spooner (Minister of Lands and Forests): Before the orders of the day, I would remind the House that I was asked a question yesterday by the hon. member for Parkdale (Mr. Trotter). The question was: Is it true that casual employees of The Department of Lands and Forests had their

pay reduced without prior notice by the civil service commission because of the holiday observed November 11?

The answer, Mr. Speaker is: All employees who are on full-time jobs are now being paid on a monthly rate, and will of course receive payment for holidays. Seasonal or intermittent employees on an hourly or daily rate are paid only for the time they work. They are not paid for holidays, but on termination of employment receive vacation pay calculated at 2 per cent of their earnings over their period of employment.

Mr. J. Trotter (Parkdale): I wonder if the hon. Minister would permit a supplementary question?

Hon. Mr. Spooner: Certainly.

Mr. Trotter: I understand that you have been paying, up until recently, the casual help for such holidays as November 11. What I find difficult to understand is that suddenly this money was stopped.

Hon. Mr. Spooner: Mr. Speaker, the only suggestion I can make to the hon. member is that if he would give me an actual incident, I would be pleased to look into it.

Mr. Trotter: As early as I can, Mr. Speaker, I will.

Hon. Mr. Spooner: I can only repeat what I said a moment ago; that seasonal or intermittent employees are not paid for statutory holidays. I think it is quite obvious they cannot be. If the hon. member has an actual instance involving people on our payroll, I will be glad to look into it and give him more information.

Mr. Trotter: Yes, Mr. Speaker, I can. Instead of using names in public I will attend privately and explain.

Hon. Mr. Spooner: I think it may be more convenient if the hon. member would see me privately. I am sure we can discuss it and give him the information he desires.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I would like to direct a question to you, sir,

but first I would like to apologize to you for not giving you notice of the question. I wondered if you could tell us when the journal of proceedings of the last session of the Legislature is likely to be completed and presented to the hon. members?

Mr. Speaker: I am informed as soon as they come from the printer. The printing was delayed by the printing of the revised statutes.

Mr. Thomas: Thank you.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to direct a question to the hon. Attorney-General arising out of a document I received in this morning's mail. I was able to communicate with the hon. Attorney-General just before the House opened.

I think there will be no problem as far as the hon. Attorney-General is concerned in the answer. This document comes from Mr. J. P. Nelligan, counsel for the citizens' league in Eastview. Among many other things, the document states that a request has been made to the hon. Attorney-General's department to carry out such police investigations and to lay such charges as the situation warrants with regard to the shortage of funds in Eastview.

Has the hon. Attorney-General taken any action on this request or does he intend to?

Hon. Mr. Roberts: Mr. Speaker, a letter was received from the firm of MacIlwraith and MacIlwraith and I believe that Mr. Nelligan is a member of that firm. It was seen by me yesterday and is getting the attention that all letters that come to me would get and action, if any is indicated, will be taken.

Mr. A. Wren (Kenora): Before the orders of the day, I would direct a question to the hon. Minister of Highways (Mr. Cass), notice of which has been given to him.

I will read the question. I am advised that a meeting was held at the Pigeon River hotel at Pigeon River, Ontario, on Tuesday, November 22, attended by 7 officials of the Ontario Department of Highways, 5 officials of the state of Minnesota Highways Department and certain officials of the government of Canada and the government of the United States.

From that meeting, it is reported that it is the intention of the governments concerned to construct a new bridge at Pigeon River, together with the building of a new right-of-

way on either side of the international border. My question is in 3 parts:

1. Is it the intention of this government to participate in this programme during the year 1961?

2. If and when the joint project is undertaken, what provision will be made to protect the interests of Ontario persons holding non-government properties?

3. Is it the intention of the hon. Minister to expropriate necessary lands on the Ontario side of the border for (1) highway right-of-way; (2) Ontario park, commercial and residential purposes?

Hon. F. M. Cass (Minister of Highways): Mr. Speaker, I might say with respect to the first question, the answer is yes.

With respect to the second question, the provision which will be made to protect the interests of Ontario persons holding non-government properties at the present area of the bridge will be similar to that taken by this government and this department in other parts of Ontario to ensure that the right interests of citizens of this province are dealt with in a fair manner financially and in every other way. I cannot at the moment, Mr. Speaker, tell the hon. member what the manner of dealing with this problem in this particular case would be, because to do that might prejudice the rights of those with whom we have to deal.

With respect to question 3, the first part of it, the answer is yes; to the second part, the answer is that negotiations presently are underway between The Department of Highways and The Department of Lands and Forests to see if we could not have some park lands in that area. If so, I am sure it will be done by expropriation. There is no intention to expropriate for commercial or residential purposes.

Mr. Wren: Mr. Speaker, may I be permitted a supplementary question?

Is the hon. Minister aware that a solicitor by the name of Mr. Johnson, who has an office—there may be others elsewhere—in Grand Marais in Minnesota, has for several years—I have a list if the hon. Minister would like to have it—been purchasing lands on the Ontario side of the border in anticipation of the Minnesota authorities concluding an agreement. The purchase of this land was made very cheaply indeed. I have all the prices available and, if even normal prices are paid without expropriation, this man stands to reap a fortune on sale of land for highways, parks or for residential purposes.

Is the hon. Minister aware that this has been going on?

Hon. Mr. Cass: Mr. Speaker, I am quite aware of the situation outlined by the hon. member for Kenora. It is a very unsatisfactory situation insofar as this government and The Department of Highways are concerned. But I can assure the hon. member that the price which will be paid by the department to the man by the name of Johnson referred to by him for property required by us will be that set by the proper arbitration courts or courts of law in this province. If he is entitled to a profit in the view of those tribunals, he will receive it. Otherwise, he will be receiving what is a fair price.

I might also say, Mr. Speaker, that the same Mr. Johnson has also acquired large tracts of land on the American side where this bridge will go, and the people in the Minnesota State Department are having similar difficulties, but, I believe, are dealing with it in a manner somewhat similar to that adopted by us.

Mr. G. W. Innes (Oxford): Mr. Speaker, before the orders of the day, I would like to bring the attention of the House to an honour which has come to Oxford and to Ontario and Canada as a whole. I read from the *London Free Press* a headline:

AREA BULL CHAMPION AT CHICAGO

An animal owned by Rosedale farm and Mr. Stewart, of Thamesville, was declared grand champion Holstein bull at the 61st international dairy show in Chicago yesterday.

An hon. member: Very good.

Mr. Innes: I want to congratulate the owners of that particular animal in bringing that honour to Ontario.

An hon. member: That is a lot of bull.

Mr. Speaker: Orders of the day.

RESOLUTION RE CONSUMERS' BUREAU

Clerk of the House: Notice of motion No. 2, made by Mr. T. D. Thomas:

RESOLUTION:

That the Legislature recommends that the government give consideration to the establishment of a consumers' bureau that will co-operate with existing consumer organizations and research agencies; provide field information services to assist in

the development of consumer organizations; conduct research into and make public independent, expert information on the quality of products placed on the market in Ontario; have authority to investigate advertising practices and, where necessary, prevent fraudulent and misleading advertising; exert constant pressure for the enforcement of federal laws governing food and drugs; and conduct continuing research into price spreads and recommend appropriate action to reduce unreasonable spread.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, in presenting this resolution for discussion and debate, I would like to say I believe a consumers' bureau is absolutely necessary if our people are to be protected from some of the sharp practices of today, particularly in the form of advertising.

Many persons today are being hoodwinked, cajoled and encouraged to buy products they cannot afford because of price reductions which supposedly make goods available for sale at bargain prices.

Every item, Mr. Speaker, from the second-hand automobile to the cheapest watch is guaranteed. But, if anything goes wrong, if the buyer is dissatisfied, or if the product has been wrongly advertised, the only recourse is to the law. Many persons have no wish, and certainly not the means, to do this. Therefore, these overadvertised and fictitiously underpriced products are still allowed to be sold over the counter.

Mr. Speaker, I am sure that the reputable merchant is disturbed because of the fictitious advertising today and would readily co-operate with an agency such as a consumers' bureau. The consumer today is confused by slogans and packaging displays in the great chain stores.

Also, I think such a bureau is necessary to protect the primary producer and the ultimate consumer. On all sides we hear complaints from the producers. They are at the mercy of the distributors, the packing houses and large chain stores. The agencies, of course, buy their products in the cheapest market and sell and distribute them at a price which they dictate.

The late J. S. McLean of Canada Packers put it bluntly when he stated that their policy is to buy as cheaply as they can from the farmers and sell to the consumers for the highest price they can get.

In other words, Mr. Speaker, it is to gouge out of the consuming public all the traffic will bear.

During the past two years, sir, Mr. Pierre Berton of the Toronto *Daily Star* has unearthed evidence of most disreputable practices of fraud and misrepresentation in the sale of real estate, electrical appliances and a host of other things. The practice of selling correspondence courses, free trial dancing lessons, and water softeners is certainly fooling many people. It is most unfortunate that few people read the fine print in the terms of agreement.

Recent congressional investigations in the United States show that fraud is widespread in the massive \$2.5 billion drug business with the help of the mass media of television. This may have some effect on the Canadian industry. Most diet, weight-reducing preparations are branded by the American medical association as, and I quote, "One of the biggest medical frauds of the age."

One can continue for some length regarding the illegal practices of the disreputable merchant. In this era of the acquisition of the quick dollar, there are some in the distributing business who are not concerned with ethics, but only in getting rich quick. I am sure the many merchants and distributors who are interested in giving our people a square deal would welcome the establishment of a consumers' bureau to investigate and to give protection not only to the consumer, but also to the reputable people engaged in the distributing agencies.

I want to bring to the attention of the hon. Attorney-General (Mr. Roberts), the operation of one agency working in Oshawa and vicinity. They are selling electrical devices for fire detection to be installed in private homes. Their prices seem to be so fantastic it hardly seems possible that the public could be hoodwinked by their sales methods. But on top of this, they are using the names of reputable people in the public life of our province. I would like to quote from a letter I received from a lady only yesterday who had purchased such an alarm system from this Toronto agency. The hon. Attorney-General may have this letter when I have finished my quotation.

The letter reads:

Their tactics of selling are very misleading. They use every trick in the bag to persuade you to buy. They claim it is backed 100 per cent by the better business bureau and all fire marshals in Ontario.

They are using the name of a highly esteemed and respected citizen of the city which I represent, Col. R. S. McLaughlin, saying he has given his approval of it. They use the names of other respected gentle-

men in the province of Ontario: the hon. Attorney-General, Mr. Kelso Roberts, Rt. hon. Vincent Massey, many doctors and "friends"—

Hon. Mr. Roberts: Mr. Speaker, I take it my hon. friend will see that I have that material on my desk—

Mr. Thomas: —I mentioned that I would let the hon. Minister have it.

The agency says that a bylaw exists in most municipalities which makes it compulsory to install this device in all new homes, and it is included in the mortgage. Many statistics are given as to how many lives are lost in fires because people have not been warned in time. Misrepresentation and undue influence and fraud exist very plainly. People are being victimized everywhere and I am mainly concerned with people who definitely cannot afford but are railroaded into this very dubious business because their signatures have been affixed to a contract they did not really want.

For example: The salesman was in one home from 3 o'clock in the afternoon till 9 o'clock one evening and again until 2.30 o'clock in the morning. These people have so much in the home already they cannot cope with it. Yet their resistance was broken down by constant pressure from the salesman to sign an agreement which they did not understand and commit themselves to future payments to his company which they could ill afford. I will ask the hon. Attorney-General to investigate this matter. I submit this resolution for the consideration of the House. It is one I think beneficial and helpful in protecting people in Ontario from the many fraudulent claims made today by certain enterprises.

Mr. Speaker: Has the member for Oshawa a seconder on this motion? Is it the member for York South (Mr. MacDonald)?

Mr. Thomas: Yes.

Mr. I. Haskett (Ottawa South): Mr. Speaker, on reading this resolution, one wonders what its purpose is and just what would be the results if it were implemented.

A casual reading might find one in qualified agreement with part of it, but with a more careful reading, I think we would find ourselves in unqualified disagreement with much of it.

Down through the ages, the cry *caveat emptor* has echoed through the market place. It is not money that is the trouble. It is, I think, as the good book says, that love of money is the root of evil. Down through the

centuries, laws have been enacted to curb the greed for gold and yet we have those who will endeavour to short change their neighbours, to overreach in trade, to give less than an honest day's work or try to find loopholes in the law by which its purposes may be circumvented.

Consumers' organizations, business and government, are all interested in working for the reduction of misrepresentation in advertising and unfair trade practices. But the task is a continuous one, involved and difficult.

Consumers' organizations, toward which the resolution seems chiefly directed, do fill a useful purpose, and the government of this province recognizes that and makes a grant to the Canadian association of consumers. The information branch of The Department of Agriculture puts out a great deal of useful information for the benefit of consumers.

At the Ontario agricultural college the research programme, costing perhaps as much as \$2 million a year, is working continually to improve crops, farm produce and food products for the ultimate benefit of the consumer—and I suppose the women's institute often functions as a consumers' organization.

Surely some of the work of the \$700,000-a-year programme of the Ontario research foundation goes out to the end benefit of the consumer in this province. A great deal of consumer information is put out by the federal government and their Department of Agriculture consumers' branch, Department of Fisheries, and Department of National Health and Welfare.

I mention these in passing, that we may realize the substantial amount of help the governments are giving in these useful and practical ways to help, to educate and to protect the consumer.

But as I read this resolution and realize its full implications, sir, I find that it has as many outreaches as an octopus—and some more dangerous.

Abridging the resolution if I may, sir, it calls for the government giving consideration to the establishment of a consumers' bureau. That would be the main performance section of the resolution. But also there are a number of secondary performances, for example the bureau would conduct research into and publish independent expert information on the quality of the product placed on the market in Ontario. That, I suggest, is a pretty tall order!

The consumers' union of the United States is the largest and most influential agency of

this kind in the field. Its monthly publication, *Consumers' Report* is read by probably 2 million families. It is an independent, non-profit organization, organized under the membership corporation law of the state of New York. It is completely free of connection with any commercial interest.

It is mentioning an increasing number of Canadian products. It tests relatively few products. I think, in an ordinary monthly issue, there may be 10 or a dozen articles at most—only a grain of sand on the seashore in comparison with the overall picture. Its tests are, in many respects, superficial and inconclusive. I suggest, sir, that they could not be otherwise, and yet its test laboratory operates at a cost probably in excess of \$1 million a year.

Can the hon. members of this House contemplate the astronomical cost of carrying out that operative portion of this resolution, where a consumers' bureau would conduct research into and publish independent, expert information on the quality of the products placed on the market in Ontario? What kind of standards could be established? What programme of thorough and useful tests could be followed?

Let us take a simple appliance like a washing machine that we will find in every home. I do not refer to one of these "new-fangled" automatics; just the ordinary, old-time washer with a rotating or oscillating dolly and a pair of wringer rollers. Now what kind of test would you make on that? Would you test its safety, its efficiency in extracting dirt or its gentleness in handling the articles of wash that are passed through it, its smooth and quiet operation, or its durability and long life? Would you test its beauty of line and finish or its purely functional design?

No two manufacturers produce a washer from the same specifications, so how could they be compared or tested against one set of standards?

Mr. Thomas: How about hairnets?

Mr. Haskett: I can come to that.

Thorough and complete testing would take too long and cost too much. If only one machine from a factory were tested it could be a one-in-a-hundred lemon. On the other hand, it could be a one-in-a-hundred super product, and what assurance would the people have that the test was dependable and reliable?

Spot checking would be impractical, and yet it would make the test only somewhat less unreliable.

It would be impossible to test the entire output, sir. And, finally even if the tests were thorough and worthwhile, the expert report would be too long to be read and too technical to be understood except by a few. In that connection may I point out, sir, that what I have termed superficial tests of *Consumers' Reports* come out in relatively conventional and simple language—yet they have for their readers, these 2 million families, a following that is about 75 per cent college trained. Probably not one person in 100,000 will read *Consumers' Reports* when he is about to buy—

Mr. Thomas: Maybe they cannot afford to buy it.

Mr. Haskett: Fifty cents a month! Probably not one in 100,000 would bother to read *Consumers' Reports* that may be purchased for 50 cents when he is about to buy a \$3,000 car. Does anyone suppose for a moment that our people would bother to read a government publication before purchasing a can opener or a hairnet or a pair of shoes or a fishing rod?

Mr. Thomas: Do they not read any government publications now? If they do not we had better throw them out.

Mr. Haskett: I suggest, sir, that the practical aspect is that only very few people take advantage of what we now have available in this popular form, even when making an expensive purchase, and that inordinate waste would result if we went to anything like the expense of testing all the products on the market in Ontario.

Mr. K. Bryden (Woodbine): Do not say all the products. Just products.

Mr. Haskett: For these reasons, Mr. Speaker, I feel that the proposal to conduct research tests and issue expert reports on the products placed on the market in Ontario is impractical and unworkable. Furthermore, I suggest, sir, that the safeguards that have been taken by and have been built around the consumers' union of the United States and its publication, *Consumers' Reports*, emphasize the care that must be taken in issuing even these unofficial ratings—I draw attention to the frightening abuses that might creep in if such bureaucratic power were vested in a government agency. Why, a mistaken reading of a test gauge or a poorly-worded or slanted report could ruin a business and throw hundreds of people out of work—

Mr. Bryden: But nobody reads them, the hon. member said.

Mr. Haskett: —and make a ghost town of a community that has been built up around an industry that has provided the people with an honestly made article at an honest price.

The wielding of such power by the state is not compatible with our society, and too many would regard it as smacking of nothing short of Gestapo methods.

The next proposal of the resolution, sir—

Mr. D. C. MacDonald (York South): The hon. member had better look for bogies under the bed when he goes home at night.

Mr. Haskett: I will do just that, sir—

Mr. MacDonald: You will?

Mr. Haskett: I notice that my hon. friend, in speaking to his own resolution, dealt chiefly with the next portion that I shall speak of, the proposal that the consumers' bureau would investigate advertising practices and prohibit fraudulent and misleading advertising. With that, sir, even the spirit of that, I think we find ourselves in general agreement. Back over the years, I have had some connection with an organization called the chamber of commerce and I have a file indicating the extent of the work that our business community has been doing in this very direction.

The task of policing misleading and fraudulent advertising is one of the greatest headaches of business and the honest and legitimate business man. All across this country boards of trade and chambers of commerce representing the business community on the local, provincial and national levels, and the retail merchants' associations have been following this problem and constantly fighting these malpractices.

I find here in my file a heading "insidious advertising by swindlers," and this is significant because my hon. friend mentioned this very phase. The hon. member described material dealing with the abuses of comparative prices, and I find here a publication put out by the better business bureau on that very issue. We in the chamber of commerce followed this subject with great interest and welcomed the amendment that was made in the last session of Parliament in Ottawa to The Combines Act (Canada) 1960, chapter 45, when action was taken to curb the abuse of comparative prices.

I will read from chapter 45, section 33C(1):

Every one who, for the purpose of promoting the sale or use of an article, makes any materially misleading representation to the public, by any means whatsoever, concerning the price at which such or like articles have been, are, or will be, ordinarily sold, is guilty of an offence punishable on summary conviction.

That was welcomed by the business community of this country and I am sure my hon. friend from Oshawa will agree with that, too.

The business community knows that consumers' loyalty cannot be bought, that it has to be earned, and toward that end we have worked continuously. Even in this last 1960-1961 statement of policy and resolutions of the Ontario chamber, I find a resolution dealing with the control of deceptive sales.

So I put before this House, sir, this view: That in working to curb these malpractices in business, we have the support of the business community that, across this country, we will find, represents the best element in the cross-section of life in any of our towns and cities.

But it seems clear, sir, that this old question of the matter of control of deceptive advertising could not be adequately handled by the consumers' bureau as suggested; it falls within the compass of the criminal code. I am sure that the hon. member, on reconsidering the wording of his resolution, will agree that it is best left, and must be allowed to remain, where it is.

There is one further proposal in the resolution, sir, the one following that with which I have just dealt, and like it—and as the hon. sponsor clearly recognizes—it too falls within the federal jurisdiction. It calls for the bureau to exert constant pressure for the enforcement of the federal laws governing food and drugs. Both The Food and Drug Act and The Patent and Proprietary Medicines Act fall under the administration of the federal Department of National Health and Welfare. I think that we have reason to feel—and with gratitude—that the government over the years has done a splendid job, in this area, in maintaining high standards and in protecting the public.

I have spoken on this subject, sir, at some length, for it is an important one. I point to the real interest that business has in honest dealing and in ensuring that the consumer gets a fair deal. This includes the work the business community is doing toward the elimination of unfair practices, and how it operates to track down the dishonest and the fly-by-night agent.

I would point out to you, sir, that the better business bureau implores people to investigate before they invest, asking them to report all occasions of sharp practices and seeks to catch up with these disreputable traders that invade our towns and cities with their questionable business transactions.

The better business bureau is offering these services free to the consumer. It is organized, operated and paid for by the business community of this country, the leaders of business as we know them in our towns and cities.

The government is especially concerned with, and always conscious of, the welfare of the ordinary citizen and the consumer. Year by year it steps up its services as it seeks to make available and to provide, in fullest measure, the good things of life to all the people of Ontario.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I have listened with considerable interest to the hon. member for Ottawa South and to the very detailed and thorough report that he made with respect to this resolution. I should say that there were some points that—

Mr. Thomas: Mr. Speaker! On a point of order may I interrupt for one moment. We had a list this morning from the Whip of the government party and this was the order of the debate: Thomas, Haskett, Bryden and Auld. Now I wonder if that has been changed; we were not aware of it.

Mr. V. M. Singer (York Centre): The hon. member is insulting us! That is fine!

Mr. A. H. Cowling (High Park): Mr. Speaker, hon. members were consulted. I discussed this problem with their Whip yesterday, and the Whip advised me that they were not taking part in this debate.

Mr. J. J. Wintermeyer (Leader of the Opposition): Oh, now! Mr. Speaker, I did not!

Mr. Cowling: Now, the hon. leader of the Opposition does not think we would go ahead without talking to him—

Mr. Wintermeyer: I said I would inquire to see how many speakers we had. But I was not consulted again.

Mr. Cowling: We were simply waiting to hear the list of names. There is no problem here, but not having a list of names, why, this was the lineup. It is just as simple as that.

Mr. Wintermeyer: I must take exception to the phraseology of the hon. member for

High Park, Mr. Speaker. To my knowledge, in conjunction with the Throne speech our Whip made several efforts to be in touch with the hon. member. He was not here during the normal period of time in the morning. They were required to wait until the afternoon to settle it. Regarding the type of statement that has been made here this morning, Mr. Speaker, I demand the hon. member retract that type of suggestion, because it suggests we are not interested in this. We have had a man working on this subject, and are prepared to go ahead with the presentation for our side of the House. The inference that we are disinterested or do not want to take part is just fallacious. Mr. Speaker, I do not think it is right that that impression be created, and I would ask the hon. member to withdraw that suggestion.

Now if, as a result of some failure to communicate between the Whips, the particular lineup has been arranged, we are quite prepared to go ahead with that lineup. But we do insist that we have an opportunity to permit as many members from this side of the House as want to speak on this subject to speak on it.

Mr. Bryden: Perhaps, Mr. Speaker, I could solve this problem. I think we all know the rules of the House, that the Speaker recognizes the person who will have the right to speak. Certainly there is no intention to curtail this debate except within the time limit that is available, and I say we should leave the matter to the Speaker to recognize whoever he sees fit.

Mr. Cowling: Mr. Speaker, there is no inference that the Opposition was not interested in the situation. I had not received a name, and we were going ahead on this tentative basis. So if the hon. leader of the Opposition felt that I was indicating that they were disinterested, that was simply not the case. I did not have a name.

Mr. Wintermeyer: He did not say that.

Mr. Thomas: Mr. Speaker, we have no intention of opposing the hon. member for Dovercourt. All we are asking is, let us have a little orderliness about the whole thing. If we have agreed to this order of the debate, let us continue.

An hon. member: Hear, hear.

Mr. Thompson: Mr. Speaker, may I first thank the hon. member for Oshawa for the permission he now gives me to take the floor? I should say, sir, the Liberal party as a whole, each of us, would like to speak on

this, and I feel privileged to speak myself on this occasion.

The Liberal party has always been concerned with the interests of the consumer. We are for this resolution in many ways because we have been advocating this—my hon. leader (Mr. Wintermeyer) has been advocating this, and if hon. members look across the country, even as far as to the west—

An hon. member: To Ross Thatcher?

Mr. Thompson: —Further even than Ross Thatcher. Hon. members will see in British Columbia that the Liberal party has been advocating some type of consumers' bureau. When I stood up before, I suggested, from the remarks of the previous hon. government speaker, that there were a couple of his points to discuss—and I am sure they will be further gone into by other hon. members from this party. He pointed out very clearly the variety of voluntary organizations that are in this field. It seemed to me by implication he was showing us the need for some co-ordination and for some help by government to these voluntary organizations. I was surprised, sir, at his lack of faith in government pamphlets. He certainly is not in co-operation with the rest of the government because, sir, if there is one thing this government has faith in, it is in introducing volumes and volumes of the most expensive kind of pamphlets and magazines.

Mr. R. Gisborn (Wentworth East): Those are propaganda!

Mr. Thompson: Yes, that is quite true, and I think that in the federal House, as well, we have seen where another Progressive-Conservative leader, the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker), is suggesting that he also is going to rely on a great number of government pamphlets to try to sell his way to the Canadian people.

With respect to the resolution for a consumers' bureau, I would suggest, sir, that the most effective way possible for a consumers' bureau establishment is on the federal level. I suggest this because of several reasons.

The federal government, after all, is responsible and has the control over much that is suggested for this consumers' bureau. The federal government has the responsibility for post office regulations against fraud. The federal government has responsibility for The Broadcasting Act. The federal government has the responsibility for The Food and Drug Act.

Therefore, I suggest that in many ways it is difficult for a provincial government to take

action with respect to guarding the consumer. After all, if you do have fraudulent practices and shoddy goods which are produced in one province and consumed in another, it is fairly difficult for one provincial government to take action. It should really be on the federal level.

However, in point of fact I do not think there has been enough done on the federal level with respect to guarding the consumers' interest. It seems to me that governments at all levels are much more likely to be responsive to pressures from such groups as producers and also from large advertising agencies and companies, and that the consumer, on the whole, is either not recognized or has only a small amount of organization, without much funds and without much research. Therefore, the consumer cannot go into as much detail and cannot have the same pressure on a federal government or on any provincial government as the powerful organizations of producers and advertisers.

With respect to advertising in general, I would like to say that on the federal level it seems to me that the board of broadcast governors should be looking into this field more. They are not. As we know, they are concerned with other matters and, therefore, the area of advertising is pretty well left to itself. We find, in my opinion, the board of broadcast governors, with respect to investigating advertising on its media, is extremely understaffed and is not carrying out this control efficiently.

The advertising lobby, in my opinion, is large and powerful and has the advantage not only of money, but also of being able to have the influence of the mass media field to support it. And I think that governments, as a whole, have been reluctant to take measures which might antagonize these powerful groups.

I would emphasize again that on the whole we are very much behind this resolution, for we, ourselves, have been advocating a resolution such as this. We feel that the consumer is not being given enough consideration with respect to price spreads. We feel that the advertising industry must be concerned about fraudulent advertising practices.

I would like to point out the influence that the advertising industry has on the price of products. As we know, in Canada, it is about a \$500 million industry and, therefore, it can wage much more influence on government than the voluntary organizations which are trying to represent the consumer.

Obviously they must have some concern about fraudulent advertising.

With respect to the influence that they have on the cost of products, I would like, first of all, to show the expenditures in advertising in Canada. In 1946, advertising expenditures were \$134 million, and in 1959 were \$587 million. This was an increase, sir, of 338 per cent.

Now, what was the situation in the United States? In the United States, the increase in advertising expenditures went up only 230 per cent. Advertising expenditures, as a percentage of the gross national product in 1946, was 1.13 per cent and in 1959 it was 1.68 per cent.

If we look at the situation in the United States, the advertising expenditures were 2.31 per cent of the gross national product in 1959.

This indicates to us the direction that is going to take place in Canada with respect to the influence on the cost of products by advertising companies. Naturally, therefore, we want to ensure that fraudulent advertising does not have any opportunity to play a role in Canada.

Let me take the example of some industries in the United States on the influence of the cost in advertising. Among the large food and beverage producers and among the large manufacturers of soaps and cleaners, advertising as a percentage of sales usually exceeds 5 per cent, and in some cases is as high as 12 per cent.

Now, sir, I would like to make recommendations about this, but first I would like to look at what is being done and suggested in the United States.

In the United States, of course, they have been urging some kind of a department of consumers, and we see, for example, a number of bills were produced during the 1960 session in the United States, not all of which were passed. We know that there was the department of consumers bill and I would like to refer to some of the purposes of this department. I am referring to Mr. Halpern, who spoke on August 18, 1960, in the Eighty-sixth Congress. He was urging that there should be a consumers' Act, suggesting these purposes for a consumers' department:

1. It would be presenting the consumer viewpoint in the formation of policies of the government.

2. It would be representing the economic interests of consumers of the United States in proceedings before courts and before regulatory agencies of the United States.

3. It would be conducting annually a national consumers' conference in order to obtain information, recommendations and suggestions necessary for the department's function.

4. It would be receiving, assembling, evaluating, acting upon, and disseminating information helpful to consumers of the United States in performing their economic function more efficiently.

5. It would permit this consumers' department to intervene in proceedings before regulatory agencies, other than when an alleged violation is involved, as a party to represent the interest of consumers.

I could go on with respect to the objectives of the consumers' department in the United States, but we can see across Canada and across the United States there is a growing concern to have the consumers' point of view represented. We can see there is a concern that fraudulent advertising can have an effect on the consumer market.

I would just like to refer to an article which was printed yesterday in the *Toronto Daily Star*. It was an article by Rabbi Rosenberg in which he says:

The public no longer buys commodities, it is virtually seduced by them. Packaging sells the products—you cannot tell a book, but you surely can sell one, by its cover—and the lustier the better!

That was a statement in the *Daily Star* last night.

We know the concern we have for the pressures that are on the consumer to buy a variety of products that he really does not need. I refer to Vance Packard, who has recently written a book called *The Waste Makers* and I quote an extract:

Most of us who are thoughtful citizens are aware that we in the United States are going through a revolution in a way of life. We are trying to perceive where this revolution is carrying us. For two years I have been attempting to assess evidences of the changes and their implications and contemplating what we can do about them. The result is my book, *The Waste Makers*.

In my view, the pressures of a new concept of consumerism are forcing commercialization of almost every aspect of American life. Ever-mounting productivity is inspiring marketers to devise strategies that impel us to discard products soon after we buy them, so that we will buy new models. A new philosophy of waste is taking hold. It is forecasting a dangerous decline in the nation's supply of resources, a

change of national character and a disquieting change in the style of life.

I suggest a number of remedies. One of the most obvious and urgent is a great expansion in the influence of consumer oriented organizations, such as the consumers' union.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, I wonder if the hon. member would permit a question? It was just—

Mr. Thompson: I wonder if the hon. Minister will wait until I am through?

Hon. Mr. Grossman: It was just on that book. I wonder if the hon. member has investigated whether there were any high-pressure methods used by the publisher to sell that book?

Mr. Bryden: Very likely, very likely.

Mr. J. Chapple (Fort William): Did they use high pressure?

Mr. Thompson: I have not investigated if there was high pressure with respect to it. I do not know if the hon. member has read the book, but I suggest he should. If he reads the book, he would realize that he does not—

Mr. Chapple: The advertisements were quite large and very high-pressure type.

Mr. Thompson: I mentioned that Vance Packard suggested one way to check this great influence by advertising, in particular to check fraudulent advertising, is through a consumers' union. Now he is referring to the organization in the United States which is the biggest and probably the most influential of voluntary organizations with respect to the consumers.

I want to give one example of what the consumers' union in the United States did this summer. In their publication, *Consumers' Reports*, they announced the effect of the consumers' union technicians and consultants in which they had tested 44 models by 24 manufacturers. These were models of rotary lawn mowers, and these products probably accounted for 85 per cent of power mower sales in the country.

What was the verdict with respect to this? None was clearly acceptable; 31 were excessively hazardous; 13 were given a grudging conditional acceptance. And notwithstanding this, there were 3 million of these power mowers sold in a year. I would also point out that there were 240,000 of these power mowers sold in Canada in 1960.

Surely there is an obligation with respect to a product such as a dangerous power mower. It is an obligation on the part of some group, and I would say on the part of the government, to point out and check this kind of sale for the benefit of the consumer.

I do not have the same pessimism that my hon. friend before me had that nobody is going to read anything published. I think that the government should stop promptly the kind of dangerous sales that do take place. We should be watching this and certainly watching the advertising with respect to it.

I would say that we really have an obligation to look at the whole field of advertising, not solely fraudulent advertising.

I shall quote from Arthur Schlesinger Jr., in a book called *The Big Decision, Private Indulgence or National Power*. He also is emphasizing the need for some kind of curb on advertising. He said that private interests have priority over public interests and everyone is making a fast buck, and that this is supposed to ensure the common good. The public sector, and this includes everything from foods to missiles—he was referring to the United States—takes second place, while consumer goods heap up in our attics and basements. Our advertising system knocks itself out trying to create new wants which will require more land, more private goods and services, while more and more of our resources are absorbed in the “style racket” and designed obsolescence, the consumers’ spending merry-go-round:

The public framework of propriety in which everything else rests is overstrained by population growth and undercut by neglect. Our cities rot away, our suburbs grow more chaotic, our teachers more underpaid, our roads more dangerous, our national parks more unkempt, our air and our streams more polluted, our law enforcement more harrowed and unsatisfactory, a sixth of the nation lingers in scandalous poverty.

I should say that he is referring to the United States, but I think, in many respects, he could be referring to the province of Ontario with these accusations.

He goes on to point out examples of how the public good is sacrificed to private indulgence in more subtle ways. The point he is making is that because of fraudulent advertising and the great emphasis on advertising, the consumer is being seduced to buy things which are unnecessary and there has been an emphasis on the trivialities rather than on the real needs of our society.

I would suggest, sir, that a consumers’

bureau is extremely essential for the government to consider seriously. I would also suggest that they should be looking through this consumers’ bureau at the advertising system with particular emphasis on fraudulent advertising.

I would like to raise this suggestion for consideration. Today, advertising is considered as a business expense and it is deductible before the calculation of corporation taxes. Hence, with approximately a 50 per cent corporation tax deduction, the real cost to the corporation is only 50 per cent. I would suggest that when we review what this whole area of advertising does to urge people to buy obsolescent material, that the government—and it should be the federal government—should look at the advertising field and at the deductible aspect of it. I think the government should consider whether advertising should not be excluded as a deductible expense to a company. I think if this was done, then the advertisers themselves would look much more closely at their own shop and try to clean it up. There is fraudulent advertising today. I think that if advertisers check for themselves, we would get away from the need of government intervention in this area.

I would also suggest that there are other areas in which a consumers’ bureau could be effective, and I would like to emphasize these. These are areas for study by a consumers’ bureau:

I think it should be studying the methods which the consumer may employ to minimize the impact of inflation on consumer purchasing power and the value of fixed savings and income.

I think it should be looking at the consumer problem, with consumer credit, including instalment buying credit.

I think it should be looking at the effect on consumers of our agricultural programme of farm price supports which are influencing the cost of food.

I think it should be looking at the effectiveness of anti-trust regulations to protect the consumers against overcharging and restricted selection of goods by restraint of trade or monopolistic practices.

I think it should be looking at the impact of sales, excise and other taxes on the consumers’ ability to buy a selection of goods.

I think it should be looking at the trade and tariff policies, if they affect the prices and supplies of imported goods.

I think that this bureau should be looking into research on consumer problems, should be looking at the influence of branded and

non-branded products on the price, quality and availability of consumer goods.

I think that this bureau—I know that this is done in Ottawa—should be looking at its responsibilities to certify the quality of products. It should—and I want again to emphasize this particularly—check the authenticity of advertising.

The bureau should be hearing consumer representations on services; the bureau should arrange consumer conferences to discover complaints and publicize the needs and desires; it should check on warranties and service contracts. I suggest there is a great area in Ontario for guaranteeing the right of the consumer.

On the whole, sir, I would say that I and my party go along with this resolution because we, sir, for a long time, have been emphasizing the need to look into the question of the consumers' rights.

Mr. Bryden: Mr. Speaker, I believe this is one of the most important proposals to come before this Legislature this session. I do not think it will get as much attention as some other proposals emanating from the other side of the House, but it is, nevertheless, equally important as almost any that I can think of.

I must say that I was a little bit disappointed with the reaction of the hon. member for Ottawa South. A couple, perhaps 3 years ago, when a proposal of this kind was discussed briefly in this House, my recollection—from having read *Hansard*—is that the government showed a slight disposition to regard the proposal with some favour. I do not know if the hon. member for Ottawa South now represents the views of the government, but it would appear that, if so, they have drifted back into their old complacent attitude.

Hon. A. K. Roberts (Attorney-General): This is a private member debate, you know.

Mr. Bryden: Well, perhaps if the government is in favour of this resolution the hon. Attorney-General will indicate it and it will save a lot of time. I will not say another word if he says he is prepared to proceed with this proposal.

Mr. Chapple: Going to sit right on top of the fence!

Mr. Bryden: However, I suppose that one must accept as inevitable the reaction of the hon. member for Ottawa South. After all, it is a relatively new idea that is proposed in this resolution and I suppose it is inevitable that Tories will always oppose new ideas.

Later, as public opinion develops and it becomes less than a new idea, then, no doubt, they will swing behind it and say they thought of it in the first place.

The plain fact, Mr. Speaker, is that the consumer is the forgotten man in North American civilization. Since we are all consumers, I suppose one could say that we are all forgotten men in that important aspect in our lives. But I think we should bear in mind that the disability bears most heavily on the small man, especially the small man with a family, since he can least afford to be taken for a ride.

The consumer today in this North American civilization—and the situation is getting worse all the time—is fair game for every huckster and gimmick man who comes along. I am not talking merely about the fly-by-night operators who are plainly crooked, I am talking about our whole business environment in which constant efforts are being made to induce the consumer to act against his own best interests. The consumer is easily victimized because it is very difficult to organize for his own protection.

Reference has been made earlier in this debate to various types of consumers' organizations that exist, such as the Canadian association of consumers, which I believe is a very worthwhile organization doing some good work. But let us face it. It is a very small organization, very inadequately financed. Actually, an organization that properly represented consumers would be an organization of all the people of the country because everybody is a consumer.

That is why, Mr. Speaker, I believe that the government has a special role to play in this field. What organization is there in this country that represents all the people? The government, and the government alone, is the only organization that can represent all the people. Therefore, it has a special responsibility in this field.

Now we are told that the play of free competition offers the consumer protection. But the plain fact, Mr. Speaker, is that free competition long ago ceased to exist in this country in any significant degree, in the sense in which that concept was developed in classical economics in which the basic idea was competition in price. The theory was that if you had a large number of suppliers operating in the market, the interaction of their competition would be to bring the price down to a level sufficient to cover the price of production and a reasonable margin

for the person who took the risk and went to the trouble of providing the commodity.

There is very little price competition in Canada today, however, even in areas where there are a large number of producers in the field, and there are a great many areas where there are not very many producers in the field. Even taking the areas such as retail distribution where there are a large number in the field, there is very little price competition. The kind of competition we have is competition in services, in advertising, and in promotional practices generally. Some of these services and even some of the advertising, I will concede, may be of benefit to the consumer, but most of it is plain sucker-bait.

The consumer is helpless in this promotional maelstrom because he lacks information. The hon. member for Ottawa South made a great song and dance about the difficulty experts would have in testing the qualities of products. He greatly exaggerated the case. Scientists are a little more ingenious than he gives them credit for, but it is true there are difficulties in testing almost any product that comes on the market today, because these products are complex.

How can the ordinary consumer make any rational judgment at all about the conflicting claims of various advertisers if the expert has difficulty? It is impossible for me, or any hon. member in this House, to deal in some engineering field, say, motor cars, unless he has particular knowledge in that field. Then if he has knowledge in that field, he probably lacks knowledge in almost every other field.

The result of this is that the consumer very often makes his selection not on the basis of the best product that is offered to him, taking into consideration price and everything else—in other words the best buy—he makes his decision on the basis of the best propaganda line. There is, therefore, a premium on promotion in our society and under our economic system as it now exists.

The successful seller is not necessarily the one who offers the best value, he is the one who offers the best line, and to add insult to injury, he charges the consumer the cost that he incurred in misleading the consumer.

Mr. J. R. Simonett (Frontenac-Addington): How does the hon. member figure that out?

Mr. Bryden: On the hon. member's side of the House, it has frequently been said that all these costs get into the price of the product sooner or later, and these advertising and promotional costs certainly get into the cost, the price, to the consumer. They are used to influence the consumer, frequently, to act

against his own best interests and then he is charged in the price he pays.

There was a Royal commission appointed by the federal Tory government on price spreads some time ago. It reported upwards of a year ago and it attributed an important part of the increasing cost in food products to promotional practices, to factors that are of no benefit to the consumer at all.

Reference has been made earlier in this debate to the most recent book of Mr. Vance Packard. I would like to make reference to one of his earlier books, namely *The Hidden Persuaders*, which is a popularization, I may say, of a great many scientific studies that have been undertaken by a great many people.

I do not give Packard much credit for the facts he brings to light in his books, but I think he is to be given credit for having taken the trouble to present some of these matters in a fairly readable and understandable manner.

The alarming thing that comes to light in books such as *The Hidden Persuaders* is that we have now reached the point in North America and, no doubt, in other advanced societies, where people who have received advanced training in psychology and sociology, mainly at public expense, are using the specialized knowledge they have to exploit people, to take advantage of them.

They hire themselves out to industry for no other purpose than to find new ways of influencing people. They have discovered that people's conduct is frequently irrational and that they are influenced by a great many factors, often without realizing what is influencing them.

So these people who have had the privilege of getting special knowledge are using that knowledge for the purpose of playing on other people's hidden fears and aspirations, of exploiting human frailties, so that people will be induced to do things that they would not do if the proposition was put before them as a straight logical basis; to influence them to do things that they could not be persuaded by reason to do.

The hon. member for Ottawa South contrives to discover the danger of dictatorship or some other great evil in resolution No. 2 on the order paper.

I submit to you, Mr. Speaker, that one of the greatest dangers in our society is this new science which is being developed purely for private gain of manipulating people for the benefit of other people. There is no worse authoritarianism than the imprisonment

of a man's mind; of influencing him without his realizing he is being influenced. It is infinitely worse than the imprisonment of his body. Yet, that is the sort of thing we are coming to in this society, with its absolutely lopsided emphasis on promotion of the products of manufacturers.

I would like to give one or two examples, Mr. Speaker, of the sort of thing that is going on now, and which, I think, action along the lines proposed in this resolution could help to solve. I am not merely concerned with fraudulent promotion, I am also concerned about what the resolution refers to as misleading promotion.

One could find examples of misleading promotion, misleading advertising and even fraudulent advertising in almost every field.

But just for the purposes of illustration, I will confine myself to one field only. That is the field of—I was going to say of medical preparation but that would not be the proper description—I would say preparations that are on the fringes of the medical field. None of the examples that I plan to take is as far as I know fraudulent in the technical sense of the term; there is no fraud that I can see involved, it is just a deliberate attempt to mislead the people, often without telling any outright lie.

One can tell the truth but tell it in such a way as to give the wrong impression. This is the sort of thing that happens in the wild dash for profits in this society, in the deification of the almighty dollar.

I should like to refer first of all to an article which appeared in the December 3, 1960, issue of *Macleans* magazine. It is entitled "The One Doctor in Four Talks Back" and the author is Dr. Alton Goldbloom. The sub-heading, in summarizing the article, runs: "'TV Commercial Doctors are Closer to Medicine Men Than Medical Men,' an Eminent Canadian Physician Says. Here is Why Three Doctors Out of Four Who Recommend Those Pills, Pain-killers, and Cure-alls Are Seldom Right and Sometimes Dangerous."

I will now read a little bit of the introductory portion of Dr. Goldbloom's article—

Hon. Mr. Roberts: I wonder if my hon. friend would allow me to speak for a moment, Mr. Speaker? The procedure this morning is in line with the recommendation of the select committee to satisfy the definite amount of time spent in debate in the first hour and a half of the morning before private members' resolutions and other resolutions of that nature are billed.

I would not want the practice to get out of hand at the very beginning in such a way that it might have a great effect on the House, and perhaps affect the views of the hon. members when it comes to determining whether it is a good practice or not. If my hon. friend would indicate how much longer he expects to be, it might help us to determine whether we should now adjourn the debate or if it should continue for a short time.

Mr. Bryden: I point out, Mr. Speaker, that I deferred to another hon. member. However I think I could wind this up in 5 or 10 minutes. If there is any highly urgent public business that is being held up, I would be happy to move adjournment right now, but I doubt if there is any great programme before us, so I will continue—at any rate, sir, as long as I am permitted.

Now, Dr. Goldbloom commences his article by saying:

I am the fourth doctor, who are the other 3? Well, just listen to your radio or watch your TV and you will soon find out. Day in and day out, you hear commercials blare forth that 3 out of 4 doctors recommend a particular cereal for your health, a certain medicine for your nerves, a pill for your headache, a tonic for your anemia and a mysterious preparation for your split personality.

It is almost always 3 out of 4 doctors who recommend such and such. Three anonymous doctors have made clinical tests in hospitals that are nameless and have as a result come out with enthusiastic recommendations for the advertised products.

I shall not go into all the numerous examples that Dr. Goldbloom cites. I will content myself with one, which is much the same as all the others:

One of the most enterprising headache pills entrepreneurs proclaims to the world that this product contains "not one but 3 ingredients that kill pain" and furthermore, "3 out of 4 doctors recommend these ingredients".

There is nothing dishonest about this claim; it is just that the manufacturer is kidding the public into believing he is selling them something special.

To my knowledge, a pill made up of these 3 ingredients has been in existence for at least 50 years and perhaps longer. All doctors, not only 3 out of 4, have used this combination regularly. It is a traditionally good mixture for some pain from headaches and fever.

Again I am the fourth doctor—because I do recommend these drugs, but not under the trade name.

One other matter, Mr. Speaker, comes within the same general field. That is the matter of the promotion of vitamins and vitamin preparations in this country, which I submit to you is a major racket. I doubt if it is fraudulent in the sense that anybody could bring any action against these people, but, here we have large sums of money being devoted to persuading people to buy vitamins that they do not need in most cases. If they do need them, they should get doctors' advice on the matter and not reply on advertisements in the newspaper.

It is a large industry with salesmen going around door to door offering people a family vitamin plan for the cost of \$20 a month, which will ensure that the whole family will have all the vitamins that they need. It is nothing but a plain racket. Even if the products are reliable preparations—and many of them are not—it is probable that the family does not need those vitamins and at any rate, does not need to pay the price which is being charged.

The British Columbia division of the Canadian medical association had enough interest in this matter to study it. They issued a press release about it some little time ago, and when I asked them for a copy they were good enough to send it to me. I will not read the whole of it, but I would like to read one or two extracts.

It says:

A small number of people who are on an inadequate diet or are convalescing from a long illness need vitamin supplements. These people are usually under their doctor's care and are guided in the use of these supplements by him.

Then it goes on to talk about some of the products that are on the market right now. It says:

One such product for example is said to contain 30 vitamins and minerals. Most of these ingredients are of no value whatever for routine use by the vast majority of adults and children who are eating a well balanced diet.

I think that the British Columbia medical association is to be commended for the interest it has taken in this matter.

But what good is one statement like that issued to the press against advertisement after advertisement appearing in the press and salesmen going around door to door?

The medical association of British Columbia says it is merely calling attention to the matter. They do not care if people waste their money, their only point is that people should at least have the facts before they waste their money.

I feel that most people would not knowingly waste their money. They are taken in by this sort of promotion because they are naturally concerned about the welfare of their families. They do not know the facts such as are contained in this report. They are persuaded that the use of these vitamins is necessary to maintain their families in good health. So they get "sucked in" and, in a sense, robbed, because their money is taken from them for something that is of no value to them whatsoever.

The resolution that the hon. member for Oshawa has put before this House obviously will not solve the whole of this problem of protecting the consumer. It is a very complicated and a very difficult problem. The resolution is at best a start in the right direction. It will merely make an impression in the field, but I submit that it is an area in which all government, provincial and federal legislators should be taking an interest and there is no place like home to start.

I submit, Mr. Speaker, that this resolution is a constructive move. It is a forward-looking move, a necessary move. It will be a start in doing the sort of job that has to be done to protect the consumer from the hordes of locusts who are forever trying to fleece him.

I rather regret the suggestion that there will be no vote on this resolution, that the debate will merely be adjourned and that will be the end of it. I submit that it is reasonable that we should have a vote on it. The resolution merely suggests the government should give consideration to this proposal, and if the government is not prepared to give consideration to it, then why is the government and its supporters not prepared to stand up and be counted to that effect? Let them stand up and say that they are not prepared to consider the matter.

If they are prepared to consider it, then I submit that they should give the House some indication that they are looking into it very seriously in the hope that they can perhaps bring in legislation at a later date. If the government were prepared to do that, I would say there was no need for a vote. As far as this group is concerned, we would very happy to accept the assurance.

But on a matter of this kind, I submit

that it is undesirable merely to let it die on the order paper after a relatively brief debate. I think it should either be voted upon or else the government should make some announcement of its intentions.

Mr. J. A. C. Auld (Leeds): Mr. Speaker, I do not know how long you propose to have this debate continue. I would like to say something about the resolution and some of the things that are on my mind about it and with your permission, I will carry on. First of all, I think all of us in this House are quite in sympathy with the idea behind the resolution of attempting to protect people from being misled and so on, but I am quite concerned about the method which has been suggested.

There is certainly no substitute for a cautious and an informed public, and I would agree that it, perhaps, becomes more difficult each day to attain this objective, not only because of methods of advertising and the amount of advertising, and so on, but because of the amount of time which people take up in things other than perhaps studying what they may be buying, and so on.

But I think that the danger of establishing such a government bureau, as suggested by my hon. friend, is two-fold.

I think, quite seriously, that one of the dangers is this: We have a tendency today to attempt, for many reasons, to protect people from all kinds of things, and I think there is a growing tendency and a growing feeling amongst people that the government will look after them, that everything is bound to be quite safe, that the highways eventually will be safe, and that, for instance, people do not have to drive carefully because there will be some law passed that will be able to make highways safe.

I think that a government-operated bureau would have a tendency, perhaps, to lull the people's suspicions and make the situation perhaps a little more difficult than it presently is.

But the other thing that would concern me very greatly and, I think, would concern all the hon. members, is this: Supposing we had such an agency as suggested, which is responsible for testing products.

Now, we have many agencies which are responsible for quality or purity of various things.

We have, as my hon. friend from Ottawa South mentioned, the food and drug branch of The Department of Health and Welfare; the proprietary medicine people; The Department of Agriculture and its inspection of

meat and fowl; The Department of Agriculture again, and grading of fruit and vegetables—we have a whole host of things in the agricultural field and in the food field. There is the Canadian standards association and, in Ontario, the Ontario Hydro, who test, for safety, all electrical appliances and equipment.

But, supposing we had a government agency which was testing products and they test automobiles, for instance, and after testing they decide that the best one, for argument's sake, is the Pontiac Tempest. I think there would be great concern in Oshawa if that were the case—

Mr. Thomas: I think the hon. member is exaggerating the whole thing ridiculously.

Mr. Auld: I do not think so. I think that is a very apt illustration for this reason: If they are going to give a ruling on products for value and quality, and so on, then obviously they must test various products and they must find some that are suitable and some that are not. After the words of some of my hon. friends opposite, I wonder that anything is safe to eat or drink.

What would be the situation where a comparison by a government agency is made between products and some product is found to be the best or better than all the rest? I would certainly be one of those who would complain very bitterly myself, that the people of the country or the province, or whatever it might be, were being influenced by what, in effect, I would consider to be somebody else's opinion.

I feel my own opinion on many things of that nature: colour and texture, and so on, or flavour, is just as good as anybody else's and is, in fact, to me far better. But I suggest, Mr. Speaker, without going into this part of the thing too deeply, that the great danger of any government agency which is supposed to be doing more than controlling the standard or quality in something, is that there would be many difficulties which would ensue. In fact, that it just would not work.

I certainly think that debates such as this, articles in the press, and work by the better business bureau are needed and that great work has been done. But I suggest that in the advertising field there is a certain amount of control at the present time—in fact, a good deal of control in many media.

The newspapers, for instance, the radio stations, and the television stations will only accept certain kinds of advertising. They will not accept something which is obviously and patently false. In addition the companies

themselves, who spend a great deal of money in establishing their brands and their brand names—and I have had some experience with this in the wholesale grocery business—are very cautious that they do not mislead people.

Anybody who wants to stay in business knows that the public has a long memory, and a great deal of thought and care goes into, not only their advertising programme, but their merchandising programme.

I can remember many occasions, in the food business, when the representative of a firm—not necessarily a national firm, but a firm with an established brand, which might be a large or a small firm—would send their representative around because they had found that a certain batch of beans or orange juice or whatever it may be was below standard. They would take it off the shelves and destroy it, because they could not afford to have lowered the standard of quality which they had spent a great deal of time and money producing and have dissatisfied customers.

I am a member, or was a member, of the consumers' union, and I might tell the House a true story which illustrates another problem which you have in any of this testing and so on.

Some years ago, at the suggestion or behest of my good wife, we bought a new kitchen appliance. I will not mention the firm name, but it was a well-known one and one which was not very well thought of by the testers at consumers' union. Well, it worked pretty well. We had little trouble with it. But my wife had been reading *Consumers' Reports* and she kept telling me that another brand was far better, and that this one was not really working quite well; that the results, while they were good, would be a lot better with the other brand, which was a check-rated brand for *Consumers' Reports*. So we bought the other brand and we have had nothing but trouble with the thing ever since. It is probably the worst one we have ever had.

Mr. Bryden: Does the hon. member not have a mind of his own?

Mr. Auld: Exactly, and if I had kept to my own mind we would have kept the old appliance and not purchased this one which was supposed to be so good.

The point I emphasize, Mr. Speaker, is the one which was touched on by my hon. friend from Ottawa South. I am not suggesting that consumers' union do not do the best they can. They test 2 or 3 samples in one of these items, and if they happen to get 3 good ones they will have one result.

If they happen to get in many cases only one item, and get a bad one, they will give a bad report, and this information they point out in their magazine; that these are subject to error and so on. But this information goes out to people all over the country. To have them led to believe, or attain the opinion, that anything that is in this magazine must be right, I think, is a very dangerous attitude to foster. I think that the best possible attitude that people can have is that they be extremely cautious, whether it is buying a washing machine or an automobile or an insurance policy or some machine that is sold from door to door.

One thing that interested me in the remarks of my hon. friend from Dovercourt concerned advertising and the expenditures for advertising. Again going back to the food business, every now and again somebody speaks disparagingly about advertising and the tremendous sums that are being spent.

We read that a certain television show cost \$150,000 to produce and \$300,000 for time, and so on, and they say if that was not done the price of the product would be reduced a great deal.

I think all the hon. members will remember that a few years ago General Foods had a large programme for Maxwell House coffee. I was curious about this because I had read the amounts in the paper as to how much this programme and their advertising cost.

I made it my business to make inquiries, and it turned out that it cost about 1.5 cents per case of coffee which would be 12 pounds. Hon. members can work out for themselves what it cost from the point of view of the unit price of the product. What was certainly a very large expenditure, was relatively minor as far as cost to the consumer was concerned.

Hon. Mr. Roberts: Would the hon. member move the adjournment of this particular debate so that it could then be continued at some other time in order that we can keep within reasonable bounds under the—

Mr. Auld: Mr. Speaker, I would be glad if I might say one thing. It seems to me that there is a great need for more consumer education, but I do feel that the present system, which may well be expanded, is right in principle. I refer to the procedure of the government supporting a consumers' organization, giving them assistance so that they may inform consumers, and make their ruling but not have the government be the one who decides what is good and what is bad. I feel this is quite right.

Mr. Speaker, I move the adjournment of the debate.

Mr. Speaker: Is it the pleasure of the House the motion carry?

Mr. Wintermeyer: Mr. Speaker, before you put the motion, I would like to ask the hon. leader of the House whether he will give us his assurance that this particular motion will be called again in a reasonably short order. There is—

Hon. Mr. Roberts: I think I can say this. The debate this morning has been very interesting. A number of viewpoints have been brought out, but it has not been concluded, and there are other hon. members who wish to speak to it. I feel certain that if the hon. Prime Minister (Mr. Frost) is here at the House at the time, and if there is an opportunity, he will see that it is obtained. We do propose—as he has already indicated—to try out this system and it should be possible at some stage that this would be called again.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE REGULATIONS REVISION ACT, 1959

Hon. A. K. Roberts moves second reading of Bill No. 1, "An Act to amend The Regulations Revision Act, 1959."

He said: In rising to move second reading of this bill, I would say that I propose to move second reading of a number of bills in order to advance them. These particular bills will, in all cases that there is any desire at all for them to, go to legal bills committee. I did on first reading give explanations of them and in order to facilitate now the moving of them I do not propose to repeat what I said then. If there is any particular bill that hon. members opposite would like to have withheld from second reading for further discussion on second reading I would agree to withhold it, but on that basis I would move second reading of Bill No. 1.

Motion agreed to; second reading of the bill.

THE ABSENTEES ACT

Hon. Mr. Roberts moves second reading of Bill No. 2, "An Act to amend The Absentees Act."

Motion agreed to; second reading of the bill.

THE CREDIT UNIONS ACT, 1953

Hon. Mr. Roberts moves second reading of Bill No. 3, "An Act to amend The Credit Unions Act, 1953."

Motion agreed to; second reading of the bill.

DEVOLUTION OF ESTATES ACT

Hon. Mr. Roberts moves second reading of Bill No. 4, "An Act to amend The Devolution of Estates Act."

Motion agreed to; second reading of the bill.

THE FIRE MARSHALS ACT

Hon. Mr. Roberts moves second reading of Bill No. 5, "An Act to amend The Fire Marshals Act."

Motion agreed to; second reading of the bill.

THE HOTEL FIRE SAFETY ACT

Hon. Mr. Roberts moves second reading of Bill No. 6, "An Act to amend The Hotel Fire Safety Act."

Motion agreed to; second reading of the bill.

THE LIGHTNING RODS ACT

Hon. Mr. Roberts moves second reading of Bill No. 7, "An Act to amend The Lightning Rods Act."

Motion agreed to; second reading of the bill.

THE LAW SOCIETY ACT

Hon. Mr. Roberts moves second reading of Bill No. 8, "An Act to amend The Law Society Act."

Mr. R. M. Whicher (Bruce): May I ask a question about this particular bill? Is there any particular reason why lawyers of the province should not be bonded so that in case of any lawyer absconding with a client's funds the client would be looked after in a financial way?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I would say that the proper committee would be the place to discuss that in detail. Actually there is a fund set up by the lawyers, which some of the hon. member's friends sitting around him know, because they have to contribute to it along

with the rest of us. I would think that if there is any question of that sort, it should be brought before the legal bills committee.

Mr. Whicher: The only thing is, Mr. Speaker, I do not happen to be a member of the legal bills committee. I still think that the hon. Attorney-General should give some consideration to this.

I do not think it is fair that while we realize that most—99 point some per cent—of our lawyers are fine honest people, the fact remains that some clients of lawyers in the province of Ontario lose money.

I want to inform the House that I, for example, who am in the dairy business, am bonded by a bonding company to pay funds to the producers of milk who supply our dairies. I suggest that it would be a good idea if we look into the possibility of having lawyers bonded too. With due consideration and sincerity, I see no reason why the clients of lawyers should not be protected in the same way as the producers of milk are protected by our dairy. Personally I am bonded, and I think there should be some thought give to the matter.

Motion agreed to; second reading of the bill.

THE LIQUOR CONTROL ACT

Hon. Mr. Roberts moves second reading of Bill No. 9, "An Act to amend The Liquor Control Act."

Motion agreed to; second reading of the bill.

THE MORTGAGES ACT

Hon. Mr. Roberts moves second reading of Bill No. 10, "An Act to amend The Mortgages Act."

Motion agreed to; second reading of the bill.

THE TRUSTEE ACT

Hon. Mr. Roberts moves second reading of Bill No. 11, "An Act to amend The Trustee Act."

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Hon. R. Connell (Minister of Public Works): Mr. Speaker, I rise with somewhat mixed emotions again today to speak on the Throne debate—particularly as, in following the hon.

member for York South (Mr. MacDonald), I am going to try to subject hon. members to a few truths for the next 20 minutes or so. I hope hon. members will bear with me.

I also say with mixed emotions, while welcoming two new hon. members to the House, I must also regret the circumstances which led to their coming here.

In George Johnston and Bob Herbert this House has lost two fine members who had many friends on both sides of the House. I am not much for giving advice, but I would suggest to the hon. member for Simcoe Centre (Mr. Evans) and the member-elect for Temiskaming (Mr. Hoffman) that they study how their predecessors conducted themselves here and elsewhere. In them, they will find two excellent examples of the meaning of public service.

The hon. member for Simcoe Centre has already made a fine contribution to this House in seconding the motion of the hon. member for Lanark (Mr. Gomme) and both are to be commended for their efforts.

I had been inclined to speak the other day in the debate on the resolution dealing with unemployment, but I did not want to restrict myself to that field. At the same time, there are enough of my hon. friends opposite who seem to be ready to speak on any subject that I decided to combine my remarks in one speech today. I think I can add something to this debate since public works have been mentioned so often that one might think that the provincial government could hire all the unemployed and put them to work.

In The Department of Public Works, we are planning, we have been planning, and we will continue to plan and to create the greatest number of economic winter jobs. One of the hon. members opposite has criticized my department for laying off men who had been employed in this building on renovation work. It was made to sound quite callous. But I would like to assure this House that our employment policy is as considerate and as kind-hearted as can be, while still considering that it is the taxpayers' hard-earned dollars that we are spending.

The hon. members of this House know full well that The Department of Public Works comes under more pressure than any other department of government to give people jobs. This pressure comes from hon. members of all parties in this House and from people in every walk of life. Hon. members also know that when one of our casual staff is laid off because there is no work to do, there is a strong tendency for him to run to his local member and demand that he be reinstated.

I am perfectly frank and blunt about this. I do not say that all of our casual staff are this way, but some are. I hear many stories that are perfectly legitimate and give reasons why such and such a man should be rehired or given a job. For this reason we are especially careful about laying people off, but we have to look at it this way.

On my farm I need more hands around harvest time, and when it is over I cannot afford to keep them on for the rest of the year. Certainly, I would like to give every man who comes into my office with a legitimate hard-luck story a job. We go a lot farther than any private industry would go, but there is a limit. We will bend over backwards to create legitimate jobs but are not going to supervise any pyramid building.

Hon. members will have seen considerable changes in this building since the last session. They might not call it a face-lifting that we have given the old lady at Queen's Park, but at least one of her double chins has been raised a bit. Starting right at the front door, you will have seen the new bright coloured tile flooring laid over most of the main floor, and the two main committee rooms have been refurbished, as has the government caucus room, the hon. members' personal office, the Lieutenant-Governor's suite, and several other rooms and offices.

I hope the hon. members are enjoying the new dining room and the civil servants are enjoying their new cafeteria. It is our intention to keep the members' dining room open year-round so that when a delegation is brought here during the off-season, or are here on business, they will have a comfortable dining room. I might say that the décor will be further improved before the next session.

Many have seen the improvements in the press gallery. This resulted from the accommodation becoming entirely inadequate for the increased number of reporters covering the proceedings of this House, not only for the newspapers, but for radio and television. We believe that this expansion will continue, but we hope that we have created enough new office space to take care of the next generation of reporters.

I believe hon. members will admit that it is difficult to accomplish as much as we have done in this building with our routine maintenance men. We have to take on extra staff and when the work is finished we have to lay off some.

However, this year hon. members will be exposed to some inconvenience; we are going to go ahead with the painting and decorating

programme that we had intended to put off until after the session ended.

This may not employ all the men we had on in the summer and fall, but we are going to rotate the work so that while the men may not be employed full time, they will earn a considerable sum of money this winter. This programme will be carried on here and in the treasury building in the east block.

Some of these men will be employed on demolition jobs. Frequently, on our building sites there are existing buildings that must be demolished to make way for our new buildings, this is one field in which we can plan for complete winter work, and work for unskilled or semi-skilled men. For example, at the Orillia hospital we are planning to start construction on a new wing next year. The old wing could have been demolished as soon as it was vacated by removing patients to the Gravenhurst hospital which we purchased during the summer. Instead, this was a planned winter work; that building will be demolished this winter and the site cleared in time for construction next year.

Here in Toronto there are 4 projects that fall roughly into the same category. Buildings will be demolished at Ryerson institute, at the old Grace hospital on Huron street and on Richmond street. Some of these we could have demolished last summer, some we could wait until next summer to demolish, but instead we are going to demolish them this winter.

To return to the planning for the Queen's Park area, the changes here are all part of a master plan which eventually would see this building become almost strictly legislative in its function. That is to say, accommodation will be provided here for only those parts of government which are directly related to the proceedings of this House.

In this I would include such offices as the Lieutenant-Governor's office, Prime Minister's office, the Speaker's office, the offices of the leader of the Opposition and the Clerk of the House, and certain special services, such as the legislative library and the provincial archives.

It is almost essential that the Provincial Secretary and much of his department be here; the same is true of the Attorney-General's department. This list is by no means complete but is recited only as examples of the type of offices vital to the functioning of the House that we would plan to have here.

Included in this master plan are offices for members of the House. Present thinking is to provide the members of this Parliament with

accommodation similar to accommodation provided to members of Parliament in Ottawa. The north wing, which has always been occupied by The Department of Education, might ultimately be the best place for the members—leaving the library where it is, of course. This is the type of thinking that is going into our master plan for this building; thinking that we hope will result in a dignified and yet functional centre of government.

More than 20,000 persons visited this building and took guided tours last year, and I believe a great many more will visit the building when the interior is made more attractive. We want to have a centre of government to which the people of Ontario will come with pride; one which will create a proper impression of the province in the minds of visitors from outside our borders.

I do not want to raise any false hopes among hon. members of this House—improved facilities will depend on our providing additional space for the persons who are going to be displaced from this building. That means construction on the St. Joseph's convent school property, the title of which we do not obtain until January 1, 1962.

Our assessment of space needs, in order to bring the government offices back to Queen's Park, is an additional 1.2 million square feet of usable office space. Now, this does not mean too much to a layman, but when you consider that this big new city hall that Toronto is planning has 716,000 gross square feet or 510,000 square feet of usable office space; you get some idea of our needs and how long it will take to fill them.

We do not intend to bring The Department of Highways back from Downsview, nor The Department of Transport's testing building. The functions of these two services do not suffer from their being removed from Queen's Park. However, it is generally considered that most of the rest of the government would function more efficiently if brought back into this area.

The planning which must precede construction for this move back to Queen's Park is exceedingly complex. Hundreds and hundreds of hours of planning have already been done; thousands more hours will have to be done before the first tender is called. We now consider that a group of buildings in a campus-like setting would be most suited to our needs. We are going to try to create an atmosphere of openness and space, both within and without these buildings.

We are already fully aware that, whatever we do, we shall be exposed to more sharp-

shooting by amateur architects than would be the case with an ordinary building. We will strive to make the architecture dignified, without being pompous; functional, without being boxlike; and modern, without being brash. At the same time, we hope to give it a Canadian flavour and incorporate Canadian materials almost exclusively.

Some hon. members: Hear, hear.

Hon. Mr. Connell: Planning is extremely important to the second subject which I would like to discuss. Almost all our jobs are winter works. We try to time the letting of our contracts so that the buildings will be closed in and ready for extensive interior work throughout the winter.

Contractors on public works jobs do not close up shop and go south for the winter; it is one of the terms of our contracts that they must continue throughout the winter. I would like to read 3 sections of our general inspections and requirements to contractors to make sure that these works do continue throughout the winter, and they are:

1. The work of this project shall be carried forward with all possible speed at all times, and in this connection the contractor shall be required to commence work immediately the contract is awarded and to continue all operations throughout the whole 12 months of every complete year and all months of every partial year from the date of commencement of the work and until the work is completed and accepted by the architect.

2. The contractor shall be understood to have included in the net fixed sum tender figure, ample funds for the provision of all temporary heating and cold weather working measures during the cold weather period herein certified, in accordance with the requirements of the above and following clause of this section.

The term cold weather period used in the general instructions and requirements shall be understood to mean the period between September 15 of every year, and May 31 of every following year from the date of commencement of the work until the project is completed.

That is the part in our specification that is the requirement for the contractor to work during the winter.

I will give an example of good timing. At Port Arthur last spring, we let two major contracts. The clinical services building for the Ontario hospital was a \$2.5 million job; the Lakehead teachers' college was a

\$750,000 job. The same contractor was the successful low bidder on both jobs, and he got started as quickly as he could.

The rough, outside work that requires a minimum of labour was done during the summer when there are most jobs open in the north. The buildings are closed in sufficiently that the skilled interior trades can work hard all winter.

I would just like to add a letter that I had from the hon. Minister of Health (Mr. Dymond) on a recent visit there and addressed to myself. He says this:

I was in Port Arthur last weekend and while I was there went over the new addition to the entire hospital. I cannot too highly praise the work that has been done there. The staff were advising me that, exactly 6 months to the day after the first sod was turned, the entire brickwork on the outer structure was completed. I think this a tremendous task and should be pointed to with a great deal of pride and directed to the attention of all contractors engaged on government buildings.

I might say that that is a letter between the hon. Minister of Health and myself, but it points out the co-operation that does exist among the departments of government and the appreciation, I think, of what The Department of Public Works is doing.

Now, how does this work to the advantage of the community? The contractor tells me that he will have an average of about 100 men—I am speaking of the Port Arthur job—working each day throughout the winter. That means a payroll of about \$2,500 per day. The contractor's head office is not in the Lakehead, but he does have a branch office there. All of the electrical, mechanical, plumbing and heating tradesmen are local men employed by local sub-contractors.

In fact, less than 10 per cent of the labour has been brought in from outside the Lakehead. The figure would be much lower than that if you excluded the specialized trades that are not represented in the Lakehead labour force, such as terrazzo men; and of course, on almost any building job, one, two or three supervisory personnel are brought in by the general contractor.

What do these 100 new jobs and \$2,500 daily winter payroll mean to the Lakehead? Well, one recent study showed that when an industry hires 100 men in a community, it creates an additional 117 other jobs in that community. For the manufacturing industry, it is claimed that 131 more households are established, there are 393 more telephones,

66 more school children, 187 more motor vehicle registrations, 3 more retail establishments and \$939,000 more retail sales per year.

Of course, the study which I quoted from was based on a continuing manufacturing industry. Unfortunately, no similar study has yet been made of the construction industry, but there must be a similar benefit. I believe that the 100 men who we are employing through the contractor at the Lakehead are keeping at least 100 others employed in the community, not to mention partial indirect employment of many others in the supplying fields.

We are asking our Department of Economics to conduct a study of the Goderich hospital project, to determine how many jobs are directly or indirectly created by this building. This will mean tracing the materials back to their source and following them through the various stages until they are actually part of the building. Among other things, it will also show the wages paid on the job to the various trades and the number of local men employed, as opposed to the number brought in from outside. We hope it will now show the effect on the economy of the community during and after construction.

We believe that by virtually eliminating day labour construction jobs on our buildings and replacing them by the public tender system, we have increased the buying power of our construction dollar by up to 30 per cent. This means just that many more jobs can be let and that many more persons employed in various parts of the province.

I would like to ask all the hon. members from the smaller communities what it would mean if a \$2,500 daily payroll, such as is being paid at the Lakehead, was suddenly dropped into their community? If that payroll is kept up all winter long what do you suppose it is doing for the Chatham area and, indeed, all Kent county, to have more than 400 men employed at Cedar Springs each day?

We are rushing the Cedar Springs work to completion 6 months early to provide 12,050 urgently needed beds for mentally retarded children. We are also pumping \$9,000 to \$10,000 per day into that area by way of the payroll of the men who are doing that job. The same sort of thing is going on wherever we are building, and we have almost \$100 million worth of building projects at one stage of development or another, from the drafting boards to the occupation stage.

As was said in the speech from the Throne,

new Ontario hospital projects will be started at Owen Sound and at Palmerston during the coming year. We intend to call tenders for the Owen Sound job early enough so that the successful bidder will be able to start work as soon as the spring breakup comes. The Palmerston project will follow. In that way both these jobs will have portions closed-in sufficiently to continue work throughout the winter of 1961-1962.

The architectural branch is not alone in its planning of work to insure maximum winter employment. Our engineering branch takes pains to schedule work so that the smallest number of men possible is laid off during the winter.

I will give just 3 brief examples:

Each year, for the past several years, a programme of repairs to machinery and equipment used in the construction and maintenance of dams and locks has been carried out during the winter in the Huntsville and Port Arthur workshops. It would be possible to send this work out to private companies or do this work at other times of the year, but through careful programming we are able to do much of this work during the winter and keep our own men busy and employed the year round.

As far as hydraulic construction is concerned, one would think that most of this would have to end with the onset of winter, yet this winter my department is building a concrete fishway at the Nicholson dam near Alliston. True, this is not a very big job but it has been found practical to enclose the whole working area within a temporary building. This building will then be heated and men will work under similar conditions inside the building no matter what the weather is outside.

The third example is a construction technique used a couple of years ago at Port Carling where the river was being widened to increase water flow and reduce the chances of serious flooding. On this job a steam boiler was installed and pipes were later laid to the site. The edge of the river was sand-bagged outside the working area and the water inside was heated through the steam pipes to keep it from freezing. A new concrete wall was erected in this heated area and proved very successful. The men enjoyed it since working conditions were ideal and they could walk about in warm water in rubber boots.

This winter the following major jobs are underway: At Burlington an Ontario provincial police headquarters building worth \$250,000 and a toll plaza administration build-

ing worth \$185,000; at Brantford the Ontario school for the blind and an assembly hall worth \$642,000 and an addition to the school, \$80,000. At Byron there is work starting on a children's psychiatric research institute; at Belleville and Cornwall, Ontario provincial police headquarters buildings worth a total of \$500,000. Both the last-mentioned jobs were recently let and much work will be done during this winter.

At Brighton, the agricultural services building is a \$235,000 job that is coming along nicely. At Dryden the Ontario provincial police detachment building will cost more than \$170,000. At Guelph there is a refrigerator store building that will cost about \$240,000, and around the Ontario agricultural college, Ontario veterinary college and MacDonald institute there are a number of smaller jobs.

At Geraldton a \$213,000 district office building will be completed this winter. At Goderich a \$3,450,000 Ontario hospital is just underway and work will be carried on there for the next two winters. At Grafton a tender for a Department of Highways garage has just been let at \$97,000; at Hamilton there is an 8-room addition to the teachers' college that is almost nearing completion at \$360,000. At Trentville there is a girls' residence at \$262,000 which is nearing completion.

At Kenora there are small jobs going on and completion of changes of the district jail and we will need more work there next winter. At Ontario hospital, London, there is continual work and power house improvements; at Lindsay the girls' training school is a \$1.35 million job and this is well underway. Also, the boys' training school at Centralia should be continuing through next winter.

This list can go on and these are major jobs. I have spared hon. members a recitation of hundreds of smaller jobs that are underway, but which nonetheless provide a few jobs each in many small communities across the length and breadth of this province.

These are real winter works. These are not jobs just to create jobs, like some fancy economist outside the government would have us take on. They are jobs that are going to create capital resources that will add to the wealth of this province. They are jobs that future generations will reap dividends from, while at the same time helping this generation over a rough spot in the economy.

I would just like to add one point: As hon. members probably know, our contracts specify that working conditions shall equal those prevailing in the area in which the job

is being done. The McLean building reports show an interesting increase in the cost of construction. These reports are based on taking 1935 to 1939 average costs as 100. On this basis material costs have gone up to 269.1 while cost of labour has jumped to 396.1. This produces a construction cost index of 328.6.

These tables show that in the last 4.25 years, hospital materials have gone up less than 14 points while labour costs have gone up almost 90 points. In the same period the federal bureau of statistics consumers' price index has gone up 11 points.

What this means is that while consumer prices have risen about 11 per cent, wages of construction workers have gone up something over 27 per cent on the average, I do not begrudge the construction workers their larger pay envelopes. We have a far larger and far more highly skilled body of construction workers today than we had only a few years ago. But I believe that my department and this government deserves considerable credit for doing what it can to see that good wages are paid on our construction projects and that these jobs go on winter and summer.

I have just half a page here that I would like to add, not as a Minister of Public Works, but it follows up some of the discussion on employment the other day. I would like to talk just as a farmer very briefly for a moment. There are just a few points that I would like to bring out.

Some of the people presently unemployed have a farm background and I wonder if many of these people have given any thought to working on the farm?

I point out that working conditions have changed greatly on the farm this past 15 years. Much of the drudgery has gone, much of the work is now done by machinery which is in itself a joy to operate. Living conditions are much improved, homes are supplied on many farms for married people, and I would say that wages on many farms are comparable to those paid in industries.

There is no unemployment on the farm; there is room for many experienced men on the farms at good wages. From my own experience it is difficult to get an answer from an advertisement placed in the paper for men wanted on the farm. Working on the farm offers many advantages today that were not thought possible a few years back, and I say again that any man with a farm background who is presently unemployed should take a good look out in the country. There

might be an opportunity there which he never realized existed.

Mr. J. H. White (London South): I move the adjournment of the debate.

Mr. M. Belanger (Windsor-Sandwich): Before the adjournment of the debate may I ask the hon. Minister a question? Would he permit a question please?

I would like to know—I have heard him mention quite a few of the projects he is contemplating for the year 1961—I was given to understand last year that the teachers' college in the Windsor area was going to be done in 1961. Is the hon. Minister of Education (Mr. Roberts) going to announce that project or does that come under The Department of Public Works?

Hon. Mr. Connell: That comes under my department, and plans are well underway for the teachers' college.

Realizing time was getting late, I left out several things in my prepared speech. In Windsor there is a \$165,000 job going on at the Western institute of technology. The plans are going ahead on the teachers' college but I do not know just when the sod will be turned. Certainly plans are going ahead and we are waiting on some suggestions from the Essex county council and city council on some revisions as far as the provincial building is concerned.

We begin to find, in looking over the Windsor situation, and I think Michael Patrick, the mayor, will agree, that Windsor is possibly being looked after better than almost any part of the province.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, these last remarks of the hon. Minister's Throne speech were very interesting. If he would tell me what he had to offer I certainly could submit him some names of men from the Hamilton area who would be willing to work on farms, if they are going to get something that will sustain them. Certainly if he will let me know what he has to offer, I will offer him some names.

Hon. Mr. Connell: Well, I might if you do not mind, Mr. Speaker, offer my experiences on this. I was criticized for placing an advertisement for farm help, and I do not like people getting into my own private business. They can criticize me as Minister of Public Works—but I was criticized when I advertised for either a Dutch or Danish chap. I had specific reasons for doing that, because my farm manager is Dutch, but I was criticized very severely for being—what is

the word we are using around here?—discriminatory.

So twice since I have put in advertisements and I have checked these people who were saying that I was being discriminatory; that I was not giving the ex-servicemen and our Canadian boys a chance. I have given them a chance each time to send me a man when I advertised for one, and I have had no answers from them.

I say, speaking as a farmer, I feel badly that we place advertisements in the paper and we cannot get answers. We need experienced men on the farm. It is pretty difficult to get along without experienced men, and many of the people in the cities and are unemployed have farm backgrounds. Conditions have changed on the farm, and I think the rural hon. members will agree with me in that many of the wages paid today are comparable to industry. It is not just a means to eke out an existence. There are good wages and good working conditions, and I think these people should take a better look, rather than complaining to almost everyone that there are no jobs available. There are plenty of jobs available on the farms and conditions are, for the most part, pretty good.

Motion agreed to.

Hon. A. K. Roberts (Attorney-General): Before moving the adjournment of the House, there may be some bills on the order paper for Monday that could be advanced though we advanced a number today. There is one in particular that I expect will be spoken to, and that is The Legislative Assembly Amendment Act. If we are to follow the recommendations of the committee, it may be that some time would be available for private members' discussion, as it recommends Mondays and Fridays. In that case it is possible, in answer to the hon. leader of the Opposition's (Mr. Wintermeyer's) comment earlier, that the hon. Prime Minister (Mr. Frost) might see fit to call this item that was under discussion and not completed today, but that will be a matter for him to determine.

The Throne speech debate will be the major feature on Monday and there will be a night session on Monday night.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 of the clock, p.m.

ERRATA

(November 28, 1960)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
81	1	12	Change to read: Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I just want to . . .
107	1	3	Change to read: Mr. A. E. Thompson (Dovercourt): Mr. Speaker, the hon. . . .

(December 1, 1960)

151	1	42	Change to read: Dimensional Investments Limited, has the hon. Minister of Energy Resources . . .
151	1	47	Change to read: Dimensional Investments Limited, that the Hydro . . .





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, December 5, 1960

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, DECEMBER 5, 1960

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions were brought up, laid on the table, read and received:

Of the city of Hamilton, praying that an Act may pass authorizing the regulation of the manufacture, transport and storage of dangerous gases, liquids and substances, and for other purposes.

Of the town of Cochrane, praying that an Act may pass authorizing a debenture issue for high school construction.

Of the township of St. Joseph, praying that an Act may pass authorizing a debenture issue for high school construction.

Mr. Speaker: Motions.

Hon. J. N. Allan moves, seconded by hon. L. M. Frost, that the House will tomorrow resolve itself into the committee of supply.

Motion agreed to.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, will the hon. Provincial Treasurer advise us what estimates will be brought down tomorrow?

Hon. J. N. Allan (Provincial Treasurer): We will explain that in a moment or two.

Mr. Speaker, I would like to inform the House that the estimates which are being brought to the House today are those of The Department of the Prime Minister, the Provincial Auditor, the office of the Lieutenant-Governor, and The Department of Energy Resources.

Later in the week we will have the estimates of The Department of Insurance, The Department of Mines, The Department of Travel and Publicity, and The Department of Economics. I might also inform the hon. members that relevant sections of the public

accounts will be placed on the desks of the hon. members today, so that they may have an opportunity of looking over those before the estimates are considered.

Mr. Speaker, I move, seconded by hon. Mr. Frost, that this House will tomorrow resolve itself into the committee on ways and means.

Motion agreed to.

Mr. H. C. Nixon (Brant): Is there going to be any budget speech from the hon. Provincial Treasurer on this occasion?

Hon. L. M. Frost (Prime Minister): I will explain further before the orders of the day.

I would advise you, Mr. Speaker, that I have the traditional message here from the administrator, signed by his own hand, and the estimates are attached.

Mr. Speaker, the administrator of the government of the province of Ontario transferred estimates of certain sums required for the office of the Lieutenant-Governor, The Department of the Prime Minister, The Department of Energy Resources, and the office of the Provincial Auditor for the year ending March 31, 1962, and recommends them to the legislative assembly; Toronto, December 5, 1960.

Mr. Speaker, if we have the next order—the introduction of bills—before the orders of the day, we can then refer to the order of business.

Mr. Speaker: Introduction of bills.

NORTHEASTERN UNIVERSITY

Mr. A. Johnston moves first reading of bill intituled, "An Act respecting Northeastern University."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, concerning the order of business, the hon. Attorney-General (Mr. Roberts) suggested on Friday that there would very probably be a night session tonight. If it meets the convenience

of the House, I think it would fit better into the order of business not to have a night session tonight, but to have one on Tuesday and Thursday, this week and next week.

If that is satisfactory, then tomorrow we would meet at 3 o'clock, and I would like to devote the first hour of that day to the discussion of the portable pension bill standing in the name of the hon. member for Woodbine (Mr. Bryden). I think that can be printed by tomorrow, can it not?

Clerk of the House: I will call right now, sir.

Hon. Mr. Frost: In any event, that would take the place of a discussion of a private member's bill or motion today—we could have that tomorrow.

I would propose that tomorrow we call 3 of the estimates that were given today, the Prime Minister's, the Provincial Auditor's and the Lieutenant-Governor's.

On Thursday, I would propose to call either the estimates of The Department of Energy Resources or The Department of Economics. Tomorrow I think we will try to table the estimates of either one of those. I would prefer not to call tomorrow—and I think the House would agree—estimates that require a great deal of detail work.

I may say the hon. Minister of Energy Resources (Mr. Macaulay) has asked me to advise that the Hydro report will be tabled also. It might be more satisfactory to let that matter stand until a week from tomorrow, instead of this coming Thursday, in which case I would call the estimates of The Department of Economics. These, while important, do not involve the detail that perhaps the other might.

I think, sir, that covers the situation. If there are any questions I will answer them now. I also have another matter to which I wanted to refer.

Mr. A. Wren (Kenora): Did I understand the hon. Provincial Treasurer correctly when he said a moment ago, in regard to the business of the House, that the hon. Prime Minister will be calling the estimates of The Department of Travel and Publicity during this session before adjournment?

Hon. Mr. Frost: Well, it is on the list. It will be ready in any event.

Mr. Wren: Well, I would recall your attention, Mr. Speaker, to the hassle we had about that last session. I would respectfully request that the estimates of that department be left until such time as those people

who come long distances to make representation can be heard.

Hon. Mr. Frost: Well, we will have a look at that at the time.

Before the orders of the day, I also want to give this explanation to the House. Last Thursday night, in times that were crowded with other things in Quebec, I received a telegram from the clerk of the city of Ottawa, in connection with the fact that Mr. David Burgess, a candidate for the board of control, had died. It raised the question of the election proceeding in that city.

It was certainly difficult for me to meet the appeals from the city of Ottawa at 8 o'clock that evening, and I immediately endeavoured to get in touch with the hon. Minister of Municipal Affairs (Mr. Warrender) and the Deputy Minister of Municipal Affairs (Mr. Carter). I did not succeed until around 11 o'clock that night.

The situation is this. The city of Ottawa, like the city of Toronto, has a composite ballot—all of the offices being subject to election on one ballot.

The difficulties of a composite ballot were pointed out years ago to these municipalities. However, for economy and convenience, they decided to go ahead until this year. Unfortunately, in both Toronto and Ottawa, they had difficulties.

There is an express condition, I think, of section 75 of The Municipal Act, providing for a new date of election in the event of a candidate dying.

This telegram informed me of the unanimous resolution of the city council of the city of Ottawa to go ahead with the election. It pointed out that all the deputy returning officers were employed, the places for polling were engaged, and the advance poll was to start the next day.

I was in a position where I had to make the very best decision I could make, and this seemed to be to permit the election to go ahead, subject to supporting in this House an amendment or an addition to the Ottawa private bill, validating those proceedings.

I have discussed the matter with the officials of The Department of Municipal Affairs and I think we ought to have a look at the sections of these Acts to see if they require amendment.

If they do, make them; if they do not, our decision should be taken as to future general procedure.

I do not think we should be faced with making decisions of this sort. In the Toronto

case it happened that the death of one of the candidates was so close to the date of nomination it was possible to have another nomination.

In Ottawa, if the whole election were postponed, it would be unfair to the candidates who were really not affected by the situation other than through the composite ballot.

When the Ottawa private bill comes before the House, we will thoroughly review this situation, and submit to the House provisions we think will take care of this thing in the future.

Before the orders of the day, sir, I should also like to refer to this occasion as commemorating the twelfth anniversary of the Universal Declaration on Human Rights.

This great document, with its recognition of the inherent dignity and the inalienable rights of all members of the human family, is the universal expression of those great concepts of freedom set forth in the Magna Carta, trial by jury, Habeas Corpus, the Bill of Rights and other things so associated with our democratic life here and elsewhere in the western world.

I am sure that all of the hon. members of this Legislature are very proud of the fact that, several years before the universal declaration of rights was signed, we, ourselves, took the first important step in the establishment of the human rights code for our own province. As a result, it became public policy that every person—the native-born, the New Canadian and the stranger within our gates—is free and equal in dignity and rights, regardless of race, colour, creed, nationality, ancestry or place of origin.

For some months now the anti-discrimination commission, under the fine leadership of Mr. Louis Fine and, with the active assistance of the hon. members of the Legislature, has been carrying on an intensive campaign to develop a wider area of co-operation, and to create a climate of opinion more favourable to the acceptance and the practice of the principles on which the code is based. The hon. Minister of Labour (Mr. Daley) will, no doubt, be reporting to the Legislature at a later date upon the excellent results of this work.

May I now say, speaking for the government, that I am sure that all of the hon. members of the Legislature are deeply grateful to the churches, trade unions, and other community organizations who have given such wholehearted support to this very important activity.

I also compliment the hon. Minister of Education (Mr. Robarts) on his initiative in

proclaiming December 4 and December 11 as Human Rights week in the schools of Ontario.

It cannot be repeated too often that nothing could bring more disastrous results to a province and a nation such as ours as the practice of racial or religious intolerance and discrimination. We rejected that course when we took the path to nationhood, a century ago, choosing instead, as the great D'arcy McGee put it:

To cultivate the true catholicity of spirit which embraces all creeds and races in order to make our province a great new northern nation.

The adoption of that very wise decision has brought us rich rewards indeed, down through our history.

Our original partnership of French and English has, since the turn of the century, been greatly expanded so that our Canadian family is now made up of people drawn from all corners of the earth. They have brought with them many of the skills and the creative talents which have played their full part in the development of our province and our nation. There is no area of life in which the greatness of their contribution to our country is not apparent. Their contribution has been made richer because they were made to feel that they had not come into a melting pot.

Some weeks ago, I said that no one will deny that there are pockets of prejudice and animosity still operating in Ontario. We must realize, however, that these are old evils and are not limited to any one group or groups. They have always been the ugly companions of unhappy souls, and the scourge of civilized society.

It has been said that nothing is more terrible than ignorance in action. The practice of racial and religious discrimination is nothing short of that and must be abhorred by all intelligent men and women.

Now what is the aim and the purpose of our Ontario Human Rights code? I think it was well stated in the first bulletin issued by the anti-discrimination commission which I hope has been read by every hon. member of the Legislature. It speaks of a Canada in which men and women of every race, creed and colour will be able to walk in dignity with their rights, their traditions and their religious beliefs respected; where they will be able to live in mutual understanding, in co-operation and goodwill; where native-born and New Canadians will be able to unite their efforts in helping their country advance

to a higher destiny in the century that lies ahead. When that is achieved, we shall have a twentieth-century Canadianism at its best.

Earlier this year, it was our privilege and pleasure to listen to a moving address by our distinguished Lieutenant-Governor (Mr. Mackay). I am sure the hon. members will agree with me that the closing paragraph of that address is particularly appropriate as we begin to observe the anniversary of the Universal Declaration of Human Rights, 12 years ago, and as we continue our efforts to win wider acceptance and practice of our own human rights code.

His Honour the Lieutenant-Governor at that time said:

May we strive to keep this bountiful province of Ontario safe for democracy. Now what appears to me to be equally important is that democracy shall be kept safe for Ontario; where the answer to error is not terror; where democracy is achieved without vulgarity, and excellence without arrogance; where the majority is without tyranny and the minority without fear.

Very great words, sir, by a great man.

Mr. Wintermeyer: Mr. Speaker, if I may add my comments to those of the hon. Prime Minister, I would say that it is a pleasure, as always, to join in comments of this sort.

I think all of us feel inside what Sir Wilfrid Laurier, I believe it was, once said:

Our very nature seems to indicate and demand of us that we try to attain that degree of excellence that may only be attained in eternity for human beings in this world.

I think, Mr. Speaker, what I am trying to say and what Laurier had in mind, is that all political parties must strive to attain the ideals of the city or the society that we have in mind—something that we can contribute to, one that we can participate in, one that in all probability we will never attain, the perfect city or the perfect human society. But we must make a contribution, and that contribution must be continually made so that we will improve the society that we have.

I think great strides have been made in the declarations of human rights. The declarations themselves will do nothing, however, unless we implement those principles in our own legislative bodies and in our own lives. I think we are agreed, that we practice these virtual tolerances in respect to all persons. But something more, I think, is required here in Canada today—something

more that will give a lead to all of the world in these difficult days.

Mr. Adlai Stevenson expressed it very effectively when he addressed a group in Toronto. He said that there is a real battle going on now in this world. This is the battle for human rights, the battle for the significance of what a human being is. Is he a physical thing only? Or is he something more?

This battle has not been going on for only the last few years; it has been going on for centuries. I hope that we will make our contribution to the outcome of that battle with meaningful words. Platitudes will not be the answer. We have to take a definite position.

Not all people in this world believe in the human rights with which we are in accord, and I think we are going to have to make some very difficult decisions. I was very proud of the statement that I read in the newspaper this morning, attributed to Mr. Stevenson, and I only hope that it will become part of American policy. Maybe our own Canadian policy should look to that type of spiritual direction and spiritual ambition as part and parcel of human rights.

The term "human rights" does not mean that we deny our beginning and our end and our purpose. It does not mean that we simply treat all alike and leave it at that in a superficial way. It means that we begin to recognize what we are, where we are going and how we are going to get there.

These are the challenges we must move forward to meet. Human rights mean more than working conditions and more than the tolerances of which we have spoken. They mean that we must begin to realize that we have a responsibility to lead in the world; to overcome some of the positive intolerances that exist in eastern Europe and other parts of the world today.

What I am trying to say, Mr. Speaker, is that there are difficult decisions. I am not one to believe that we must merely practice tolerance in human rights by the expression thereof. But the time may well come when we will have to speak out for those human rights and for the rights of other people that do not have them at the present time.

Mr. Speaker, as always it is a pleasure to join in this tribute. I would only hope, and I make this suggestion to the hon. Prime Minister, that on other similar occasions of non-political connotations, that some hon. members be given—the Opposition be given—some advance notice. It is rather difficult to talk offhand on such an important subject.

I merely want to underscore the words of the hon. Prime Minister in joining in this tribute.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, I would take the opportunity to join with the hon. Prime Minister and the hon. leader of the Opposition in paying tribute to this week in recognition of human rights. I would first commend the government for the legislation and educational advancement made in this regard up to the present time, but I am sure that we must agree to continue our efforts in the future. Certainly the recognition of human rights should be practiced 365 days a year, if it is going to have the full meaning and intent.

We must recognize, Mr. Speaker, that racial prejudice across the world is one of the major obstacles in our objective of world peace and freedom. Even here at home we often hear in the streets and in the plants the terms "that Hunkey," "that Wop," "that Jew," "that Chirper," and so on—not very often in unkind terms—rather in a sort of unconscious way. I am sure that we all hope that the increased educational efforts of the anti-discrimination commission will help to reduce and finally eliminate this kind of attitude.

We in Ontario have legislative Acts in regard to discriminatory action in public notices, signs, and advertising. We have legislative Acts in regard to fair rights in employment, and we have Acts in regard to fair rights in public facilities and accommodation.

In the recent past we have had evidence of outright discrimination in regard to public housing, and I feel we must remember these acts of discrimination and give consideration to amendments that may help to rectify this situation.

Prejudice, Mr. Speaker, is a state of mind and of thought. Discrimination is the act. Education certainly will help change the attitude to prejudice, but we have to continue and encourage our educational efforts to change these attitudes. We know that one's property is protected by law and if one steals property from another he is punished by law. So certainly should one's human rights be protected by law if they are taken away.

Mr. Speaker, white Christian North Americans do not realize that they are a minority on this globe. Let us just pretend that you have not yet been born, Mr. Speaker, but will be born this year somewhere on the planet. Let us try to estimate your chances of living a happy, healthy and

decent and useful life. If you were born this year, and on the same day more than 200,000 babies were born all over the world, you would have less than one chance in 20 of being born in Canada or the United States. You would probably be coloured. You and the 200,000 other babies who would be the day's baby crop are going to be born all over the planet, and there are not many openings in the places where the white races live.

Your chances of being born white this year would not be more than 1 in 3. Your chances of being Chinese would be 1 in 4, of being born in India better than 1 in 9. You would have only about 1 chance in 4 of being born a Christian. It is far more likely you would be born a Confucian, Buddhist, Mohammedan or a Taoist.

If you were born in North America, you would probably live longer than one year, but if you were born in India—which is more likely—you would have only little better than a 1 in 4 chance of living more than a year. Let us with full warmth join the human race.

Mr. Speaker: Orders of the day.

Hon. M. B. Dymond (Minister of Health): I beg leave to present to the House the thirty-fourth report of the liquor control board of Ontario for the 12-month fiscal year ending March 31, 1960.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, before the orders of the day, I rise on a matter of personal privilege. The *Toronto Daily Star* in its edition of Friday, December 2, 1960, in a news item reporting a meeting of the York township ratepayers' election meeting, stated as follows, among other things:

This meeting produced one of the hottest fireworks of the current election campaign. The purpose of the meeting was to hear a discussion on "Morality in public office." This fell flat when only 2 of 4 scheduled participants turned up. They were Donald C. MacDonald, Ontario CCF leader, and Marvin Gelber, a former Liberal candidate. Municipal Affairs Minister W. K. Warrender and Allan Grossman PC, St. Andrew, newly appointed Minister without Portfolio, were the other two panelists but sent telegraphed regrets that they could not attend.

Mr. Speaker, I do not know what other people's views are in respect to what constitutes a "panelist" but I rather imagine that a "scheduled participant" or "panelist" presupposes that such participant or panelist has

agreed to act as such. This certainly is not so in my case. I received a wire on Wednesday, November 30 at about 2 p.m., inviting me to attend the meeting the following day. Some of the hon. members of this House know I was slated to be host to a very distinguished gathering on Thursday, December 1, that is the following day, when this ratepayers' election meeting was to be held. I, therefore, immediately wired back that I would not attend.

Mr. Speaker, in any case I think it is highly improper for a member of this Legislature, let alone a Minister of the Crown, to inject himself into a municipal election campaign, particularly just a few days before the election. Why I was privileged to receive an invitation, even at such a late hour, is beyond me, as this ratepayers' group represents no one in my riding. In any case, Mr. Speaker, the article would leave the impression that I did agree to participate and failed to show up. I would ask the worthy representative of this great newspaper in the press gallery to please arrange for his editor to correct this false impression.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I just comment briefly on that because there was an implied criticism in my direction? If I receive an invitation from a group of my constituents to come and speak on the issue of public morality I will go at any time, just before a municipal or any other election. I did not participate in the election—as the *Star* story indicated—as far as supporting the candidates themselves was involved. The hon. Minister without Portfolio was invited to come, as a matter of fact I am informed he was one of many members of the Progressive-Conservative party invited and they all turned the invitation down. At least he should be given credit—he sent a wire.

Mr. Speaker: Orders of the day.

THE LEGISLATIVE ASSEMBLY ACT

Hon. A. K. Roberts moves second reading of Bill No. 17, "An Act to amend The Legislative Assembly Act.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, might I here make the report to the House which I stated I would make some days ago, following which sir, I would ask the hon. Attorney-General (Mr. Roberts) to give the legal opinion of his officers and himself.

There are several matters in relation to

this proposed amendment which I should like to discuss with the House and my inquiries into this have gone very much further than I first intended. However, I shall take up the matter of the position of the member-elect for Temiskaming (Mr. Hoffman) first of all, and then I shall refer to some other matters. I have a report from the chairman of the civil service commission, which I shall read and explain to the House:

Mr. Philip Hoffman, forest ranger 4, resigned from the Ontario civil service voluntarily. His superior, district forester W. B. Clarke of North Bay, on September 2, 1960, reported that Mr. Hoffman's resignation was effective from August 19, 1960, which was his final day of duty. All departmental and civil service proceedings were based upon that fact.

Accordingly, he ceased to be a civil servant and an employee of The Department of Lands and Forests as of August 19, 1960 and, therefore, was fully entitled to engage in any other employment from that date which he, in his wisdom, saw fit. A civil servant who resigns is entitled by statute, regulation or by the customs of the service which have applied for very many years, to:

(a) His accumulated holidays which have not been taken. In Mr. Hoffman's case he was entitled to 31 days' vacation which, by the customs of the department, are paid bi-monthly, until the complete payment is made. This is part of his retirement. It does not represent wages for work performed after his resignation, but it is an earned credit as of the date of his resignation, owing to him, and it is fixed as to number of days and equivalent salary at that time. This is a routine departmental procedure.

(b) The civil servant is entitled to his accumulation of sick leave credits which is paid in the form of a gratuity payment. In Mr. Hoffman's case this amounted to \$2,217.71. This amount may be payable, at the option of the civil servant, monthly or in a lump sum.

(c) He is entitled to his retirement allowance, based upon the application of The Superannuation Act. In Mr. Hoffman's case his pension is vested and he is entitled to start drawing upon the same at age 60. This pension is effective from the day of resignation, August 19, 1960. The accumulation of vacation credits owing to an employee after resignation in no way affects the pension; nor is there a deduction for the same.

It might be explained, in civil service rules, customs and procedures that if a civil servant dies, the vacation credits owing are payable in a lump sum, as is the sick leave credit gratuity. The pension applies from the date of death to the widow or dependent children.

Concerning the civil servant resigning, the civil servant receives any pension entitlement from the effective date of resignation. His vacation and sick leave credits are at that time earned and are fixed as of the date of resignation. In the case of Mr. Hoffman this was August 19, 1960, when his entitlement for the regular credits upon separation became fixed and, according to the rules and practices applying to all civil servants, were payable as of that time.

With respect to resignation, there are many cases where the day after his resignation the civil servant enters employment elsewhere. In such cases, the entitlement to vacation adjustment and separation gratuity in the form of sick leave credits are payable to him in the ordinary course as above outlined. It does not interfere with his right to accept employment elsewhere and they are treated as credits which are earned at the date of his resignation.

As far as Mr. Hoffman is concerned, there were the following credits due to him effective and based upon his retirement on August 19, 1960:

1. Vacation credits—31 working days—\$618.27. The 31 days' vacation credit earned by Mr. Hoffman results from the fact that he had over 26 years' service which qualifies a civil servant for 4 weeks' vacation a year and, since he had not taken his full vacation in 1959, this credit had been earned at the time of resignation.

On this account Mr. Hoffman has received 3 payments in accordance with departmental practices, namely \$161.29 on August 24, 1960; \$208.43 on September 9; and \$208.18 on September 23, 1960. No further payments have been made and, therefore, the balance of \$40.32 is due to him.

2. Accumulated sick leave credits entitlement—321.5 days. This works out to a gratuity entitlement of 161 calendar days, amounting to \$2,217.71. Therefore, as of this date, Mr. Hoffman is entitled to the balance of vacation credits of \$40.32 and sick leave gratuity of \$2,217.71, making a total of \$2,258.03.

It should be noted that payments for both vacation credits and sick leave credits are charged to the supply votes for salaries

and wages in each department. There is no special fund voted for this purpose, the reason being that they are, in fact, earned credits arising from services up to the date of termination of such service and, therefore, are part of the vote for salaries and wages.

In the case of vacation credits, they are paid in the same manner as salary payments and based upon the salary rates. The purpose of this is that the payment to the former civil servant is facilitated and is made to him in the regular manner. It is not necessary to make any adjustment in what would be otherwise routine payments until the amount of such credits is satisfied.

In connection with sick leave credits, they are payable monthly in exactly the same way, subject to the civil servant at his or her option receiving the payment in a lump sum. The sick leave credits are payable monthly and are paid by the department in question in the same routine as the vacation credits are paid. The same are charged to the salary vote and there is no special fund set up for taking care of these because they are an earned part of salary and are payable to any civil servant under certain conditions, that is, dependent upon meeting the required length of service.

Although both vacation payments and sick leave gratuities are paid in the same manner as payroll payments, they should not be confused in any way with salary. This is done for purposes of convenience both to the department and to the retired civil servant.

2. The above report concerns Mr. Hoffman solely. However, there are other members of the legislative assembly of Ontario who have rights under The Teachers' Superannuation Act, and the following particulars have been obtained from the teachers' superannuation commission. The credits are as of the end of June, 1960.

Mr. Maurice Belanger (Windsor-Sandwich) is a contributor to the teachers' superannuation fund as an employee of the Windsor separate schools. He has a total credit in the superannuation fund of 25 years, 7 months.

Mr. Rene Brunelle (Cochrane North) contributed to the teachers' superannuation fund for a period of 8.75 months in 1941-1942, when he taught at Roman Catholic separate school No. 4, Calvert.

Mr. Alex Carruthers (Durham) is a contributor to the teachers' superannuation

fund as an employee of the Port Hope public school board. He has a total service credit of approximately 28 years.

Dr. W. J. Dunlop (Eglinton) was a teacher in various schools for a total of 17 years up to 1920, and was a contributor to the teachers' superannuation fund from its beginning in April, 1917. In 1942 these contributions were refunded since he was at that time the director of university extension and publicity for the University of Toronto.

Mr. Donald Morrow (Ottawa West) was a contributor to the teachers' superannuation fund as an employee of the Ottawa public school board. He has not contributed since 1954 but at that time he had approximately 25 years' credit.

Mr. Bernard Newman (Windsor-Walker-ville) is a contributor to the teachers' superannuation fund as an employee of the Windsor board of education. His total credit in the fund is approximately 23 years, 6 months.

Dr. M. Phillips (Grey North) has a credit of 3 months established April to June, 1917, as a teacher at school section No. 18, Melancthon.

Mr. Leo Troy (Nipissing) was a contributor to the teachers' superannuation fund and is now in receipt of a service pension which was effective January 1, 1960. His pension is a result of 38 years, 5 months of teaching service credit.

It should be noted that a member of the legislative assembly, pursuant to The Teachers' Superannuation Act and the regulations thereunder, may re-establish his credit if he teaches 20 days in a school year by paying for the period of service as a member of the legislative assembly. (Section 48, regulation 8(1a).) Accordingly, several of the above members could re-establish credit in the fund by returning to teaching for a minimum period of 20 days.

I think that it is the clear intention of the assembly that these teachers could re-establish themselves in the teachers' superannuation fund at any time. I do not think the fact that they are members of the assembly should be in any way a bar to that.

I might explain that I have gone into this matter myself. I am going to ask the hon. Attorney-General to read the opinion given by the law—certainly not the opinion which he himself is prepared to make in the matter. In connection with the member-elect for Temiskaming, I am quite satisfied that the

acceptance of sick leave credits and the payment for accumulated holidays, all of which crystallized on August 19, 1960, in no way affects his right to sit in the House. In Mr. Hoffman's case, of course, it is clear under The Legislative Assembly Act that the relevant date is September 29. I am perfectly satisfied that there is not the slightest doubt of his entitlement to take those credits either in monthly or bi-monthly payments or in a lump sum without in any way prejudicing his right to sit in this House.

In connection with superannuation I am satisfied that the opinion of the law officers would be the same. There is an anomalous situation, however, and as a matter of fact it has never been recognized to this moment as far as I know. In the years I have been here I have never heard the matter mentioned.

A person who is receiving allowances or entitled to receive allowances either from the civil service superannuation fund or from the teachers' fund, is called upon to make votes to that fund, usually in the form of supplementary estimates. This has been the situation for some years past. I also believe that in the estimates, amounts are given by the government to match the payments of the civil servant.

That is the only place I could see where there really could be any question, on the point that the House itself is asked to vote monies which, of course, strengthen and support the fund from which the member is drawing superannuation. I am perfectly satisfied that was never ever questioned. It was never questioned here, for instance, when the bill providing for pensions for members and officers was passed last session.

There is an exception in that bill providing that the pension shall not affect the right to draw from these other pensions. I mention this by way of pointing out the fact that it was never considered by any stretch of the imagination that these things would affect the member's right to sit in this House.

When we begin to look at it, there are other matters. This section is designed to be broad enough to meet this. For instance, an old age pension payable by Ottawa is a payment affected by our Legislative Assembly Act and therefore it would seem to be fit and proper that it should be covered. A person who is 70 years of age is by right in this country entitled to that pension, and yet it might be arguable that the acceptance of the pension would affect the member's seat.

Now, sir, there are other matters also. These matters, I think, should be covered by

resolution of the House. I think it is proper that there should be the exception to section 10 which sets out the additional exceptions to the Act. It seems that is the proper way of doing it so that there is no question of doubt. The matter is not then dependent upon legal opinion or upon interpretation, but it is met fully and effectively by the House itself.

There are, for instance, conditions in the payments made by The Department of Agriculture, where there could definitely be some question raised. I do not think it was ever intended in this House that they should be raised, but let me give this as an example:

If a farmer-member of this House has a herd which is affected by TB, and that herd is destroyed, and he receives payment from the government—I guess the federal government, in that case—it is arguable that his seat would be affected. There is a matter of agricultural lime—on a bounty paid upon agricultural lime used for farming—

Mr. H. C. Nixon (Brant): Not a bounty—a subsidy.

Hon. Mr. Frost: Yes, that is right. Now the provincial auditor even raised this point: that if a person is a member, for instance, of a fair board, and there is a subsidy paid to the fair board in connection with rain or hail or something of the sort, that this raises the question of disqualification.

There is another point, raised with me by some hon. members, in relation to buying or paying for certain services with The Department of Lands and Forests: The purchase of trees, for instance, or the acceptance of advice and the payment for the same. I think that is in a totally different position, for this reason. The member is paying for a service to which all people are entitled. In the other case the person is receiving a payment which is not common to all people in the province.

Another point is the right of a member sitting here to pay premiums or to accept benefits under The Hospital Insurance Act. Those things were never contemplated at any time. I do not give notice of this now because I want the law officers to look at it, and this may not cover the point, but I would propose that the House in its wisdom adopt this Act, and under the resolution section I would submit this resolution:

RESOLUTION:

THAT no person shall be ineligible as a member of the assembly, by reason of his receiving, or having received or agreed to receive, compensation in respect of any

regulation of The Department of Agriculture.

IT IS FURTHER RESOLVED that no person shall be ineligible as a member of the assembly by reason of his paying or having paid or agreed to pay for services, materials or things in respect of any regulation of The Department of Lands and Forests and The Department of Agriculture.

IT IS FURTHER RESOLVED that no person shall be ineligible as a member of the assembly by reason of entering into an insurance contract with the Ontario hospital services commission and having paid any premium or having received any benefit by reason of such insurance contract.

I do not give that as a notice, sir, but the resolution could be passed after the House has considered this enactment.

I could give the legal opinion myself, but I think it might be better if the House would agree to hear the hon. Attorney-General on the legality as it affects members at the present time, without the passing of the Act.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, the hon. Prime Minister has given a very clear and complete statement in connection with the position in both phases of it. I think, however, as this is a matter that has involved a considerable amount of study and consideration that it would be helpful for the future to have the opinion given in this particular case by Mr. Eric Silk, Assistant Deputy Attorney-General, today, and concurred in by the Deputy Attorney-General and myself. In regards to my own views I will say something at the end. I will read the opinion, then, as provided by Mr. Silk and addressed to the hon. Prime Minister:

You have requested me to furnish you with an opinion regarding the eligibility of Mr. Philip Hoffman to sit as a member of the legislative assembly in the event that he accepts certain payments which relate to his period of service in The Department of Lands and Forests of this government.

It is my understanding that Mr. Hoffman joined the public service in 1924, that he resigned and ceased to be an employee of this government in any capacity as of August 19, 1960; that he was officially nominated as a candidate for the riding of Temiskaming on September 15, 1960, and that, as a result of a by-election on September 29, 1960, he became a member of the Legislature.

The payments which I have referred to above are:

(a) a deferred annuity under subsection 1 of section 12 of The Public Service Superannuation Act, 1960;

(b) payments in respect of credits for regular attendance order, regulation 135-53-reg. 4, and

(c) payments in respect of vacation leave of absence credits, regulation 135-53-reg. 7.

I have examined the relevant provisions of The Legislative Assembly Act, and I quote first of all subsection 1 of section 8:

8(1) Except as hereinafter specially provided, no person accepting or holding any office, commission or employment in the service of the government of Canada, or the government of Ontario, at the nomination of the Crown or at the nomination of any of the officers of the government of Canada, or the government of Ontario, to which any salary, fee, wage, allowance, emolument or profit of any kind is attached, shall be eligible as a member of the assembly or shall sit or vote therein.

That is contained in the revised statutes of 1937, brought forward.

There seems no doubt that in view of the facts stated above, the provision does not interfere with Mr. Hoffman's right to sit as a member.

Then I quote section 9:

9. No person holding or enjoying, undertaking, or executing directly or indirectly alone or with another, by himself, or by the position of a trustee or third person, any contract or agreement with Her Majesty, or with any public officer or department with respect to the public service of Ontario, or under which any public money of Ontario is to be paid for any public service, any work, matter or thing shall be eligible, as a member of, or sit, or vote in the assembly.

And, again, the revised statutes of 1937, chapter 12, section 10, of course.

Let me comment upon the term "contract," as used in the provision. It seems unlikely that Mr. Hoffman's employment would be encompassed by the term. A public servant on the permanent staff is appointed by the Crown during pleasure, which appears distinguishable from the contract relationship. This view was fortified by the fact that such situations are already dealt with in the Act by section 8. Let us consider the precise nature of the

right to payment that obtained in each of the classes of payment enumerated above.

If upon the date of separation from the service these payments are to be regarded as rights that the employee has earned as of the date and in respect of which he is entitled to be paid in consideration of his past services, then there can be no question of Mr. Hoffman's right to sit, notwithstanding the payment to him of those amounts. Dealing with deferred annuities, I understand that Mr. Hoffman's situation falls within subsection 1 of section 12 of The Public Service Superannuation Act, 1960, and I quote it:

12(1) Every contributor who has contributed continuously to the fund in respect of 10 or more years and who ceases to be employed before he is 65 years of age, and who is not entitled to an allowance under this part, is entitled to a deferred annuity.

Clearly, Mr. Hoffman is entitled to such payments as of his cessation of employment. This right arises not because of his holding any office, commission or employment in the service of the government of Ontario, nor because of any contract or agreement with Her Majesty referring to those two sections, 8 and 9. It is a statute-given right.

Turning next to payments in respect to credits for regular attendance, I quote from the regulations under The Public Service Act:

4(5) Commencing with August 1, 1944, there may be paid to a person not then entitled to a superannuation allowance having more than 5 years' service, who ceases to be a civil servant, or to his personal representative, or failing a personal representative, such other person as the commission may determine, an amount computed on the basis of his pay at the date of leaving the service for a period equal to 50 per cent of the value of his credits or fraction thereof, but the amount shall not (a) exceed 6 months' pay, or (b) be computed on any credits earned by a civil servant after he ceases to contribute to the fund.

Here, also, the right to payment is created by the statute and comes into being upon cessation of employment. I do not overlook the permissive form of the enactment which does not affect the matters under consideration. The right offends against neither of the prohibiting provisions.

Finally, dealing with payments in respect of vacation leave of absence, the relevant portion of the regulations appears to be:

(7) Vacation leave of absence for civil servants shall be:

(a) Three weeks in each year during the first 25 years in the service and

(b) Four weeks in each year of his service thereafter.

Applying the provision to the instant situation, Mr. Hoffman on August 19 was entitled to leave of absence at the rate of 4 weeks in each year of his service. I have been advised that he was entitled to 31 days' vacation.

The practical view, having regard to administrative practices, is, that as of August 19, he is entitled to be paid an amount calculated at his current salary rate for the period mentioned. Upon that concept, such payment would fall into the same category as the classes of payment already dealt with.

This principle is borne out by the well-established custom that, as of his date of separation, a former employee may engage in any employment he wishes; and that his right to do so is not impeded by payments for vacation leave of absence credits.

That opinion is signed by E. H. Silk, Assistant Deputy Attorney-General.

Mr. Speaker, the hon. Prime Minister, in reading Mr. Collins' report, pointed out very definitely that the accumulated holidays are, by custom of the department, paid bi-monthly until they are paid; and that they consist of an earned credit as of the date of termination, and that credit is paid to the person entitled thereto.

In this particular case, the earned credits were ascertained as of August 19, 1960, the date of termination. The nomination occurred on September 15.

There is no particular significance in that date in relation to the problem here because, under The Election Act, the reference there to eligibility refers quite clearly only to people who are at that time members of the House of Commons, or senators, or in that classification. If there is a date on which one has to focus attention, it is election day, September 29.

With that in mind, and having reviewed his situation personally as well as with the help of the members of my department, and having the somewhat doubtful quality of being a lawyer myself, I have no hesitation in saying, Mr. Speaker, that—apart from the legislation which is now before the House—Mr. Hoffman would be entitled to take his seat, and could do so with complete assurance of safety, and with the right to vote

and act as a member of the Legislature at this time.

The hon. Prime Minister has outlined the particular need for the Act, and particularly the part of it which extends the exemption.

It was enlightening to me, sir, to note that something like 10 per cent of the membership of this House is in the category of the teaching profession. This is somewhat higher than I had appreciated until I heard the enumeration here today.

The bill before the House covers then that extended exemption by way of subsection (m) of section 10, the exception section of the Act, and also includes the added words at the beginning of section 9, "except as authorized by resolution of the assembly," which of course is merely providing for a procedure for the future and in itself is not applicable to any particular case at the present time.

Mr. E. Sopha (Sudbury): Mr. Speaker, I would like to make one or two comments on this matter.

The hon. Prime Minister, in his resolution, read quite a compendious list of types and species of payments that are made to hon. members of the legislative assembly. I do not think the list was complete, sir, and perhaps a further study should be welcomed in order to ascertain if such a resolution is introduced in all types of payments, especially one that I particularly have in mind.

The Legislative Assembly Act contains, among its provisions, a section directed specifically against lawyers. I do not quarrel with that, but I see nothing wrong with a lawyer making an application to the unsatisfied judgment fund on behalf of a client.

The fund, with respect of costs, makes a payment, I believe, of \$35 to the lawyer for preparation of the application. The other costs—the party and party costs—are paid out in the name of the client.

The matter of the client's payment to the solicitor, be he a member of the legislative assembly or otherwise, is a matter between the client and the solicitor.

However, I have been worried about this payment of \$35 that the fund makes directly to the solicitor, when there may be conflict between a member of the legislative assembly and the accepting of monies paid out of the consolidated revenue fund.

I would now like to speak on a matter which has bothered all of us on the Opposition side, and I speak for all of my hon. colleagues.

I want to say by way of preamble in addressing these comments to the House, sir, through you, that we are in no way decrying the results which were handed down by those good folk in Temiskaming.

You may recall that Temiskaming is the place I call home. And I may add that the member-elect for Temiskaming was fortunate enough to be the recipient of the votes of all my family—not only their votes, but their active support.

Nor do I wish to go into the question of how he obtained his election, although I might say, by way of an aside, that we just could not match the political dexterity of the hon. Minister of Public Works (Mr. Connell).

Two or three days before the election, it came out in the press that—when being shown one of the sites for the hospital school for retarded children—he said: “This is the best site that I have seen yet.”

It just happened to be in Temiskaming.

This matter was initiated by the election of the member-elect for Temiskaming and, as has been indicated, he was a senior civil servant.

What does bother us about it, sir—although we would in no way seek to prohibit a member of the civil service from running for public office in Ontario—is that we do think that when a senior civil servant does leave his office in the civil service to run for political office, then his break with the public service should be absolutely clear and final.

In this particular case in Temiskaming, when the member-elect left the post that he occupied with The Department of Lands and Forests there was some uncertainty as to whether, if the fortunes of war were adverse, he would not return to his post in The Department of Lands and Forests.

My understanding is that a few years ago, out in the west, a certain senior civil servant whom I believe had something to do with the administration of The Farm Loans Assistance Act, left his post and ran for the Liberal party. He was defeated, but went back to his post with the organization to which he had been attached before.

In a case such as at Temiskaming, there ought to be a policy that a civil servant, leaving the civil service, should indicate in unequivocal terms that if he is not elected he will not go back into a position of responsibility in the same civil service.

Hon. A. Grossman (Minister without Portfolio): That principle would destroy the Saskatchewan government.

Mr. Sopha: Indeed it would, but it would deny us the receipt of some of our illustrious immigrants.

That is all I wish to say about it. We wanted to put that on the record in this case; and we hope, before the same situation occurs again, that perhaps some reflection might be made concerning it.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to speak briefly to a couple of points in connection with the principle of the bill.

This bill has developed into a tidying-up operation of major proportions, and I think it is well that the full ramifications of it should be explored, and that the legal position should be clarified in the manner which is now being done.

One of the points is provoked by the comment of the hon. member for Sudbury. There is a simple solution to this problem of the civil service. Civil servants should be treated as first-class citizens who can take their positions in politics like anybody else.

And, if they wish they should be able to return to their old jobs. There is no problem involved in the administration of this, as some 15 years of experience have proven in Saskatchewan.

Some years ago, when I was living in the city of Ottawa, and happened to be active in a certain subcommittee of the Canadian institute of international affairs, we made a study of the civil rights of civil servants in many countries. I recall being astounded to discover that the principle which I have just enunciated and which is in effect in the province of Saskatchewan had even been carried to the point in some parts of Europe—I believe one of the Scandinavian countries—had even been carried to the point of a Deputy Minister, running for the Opposition party, being defeated, and returning to his position as Deputy Minister.

Now that, I agree, is going a little too far, because I think at top levels, where the policy formation is a very intimate one within the government, there are obvious difficulties in a person going out into the political battle and being able to return.

But I suggest that the day will come, even in the province of Ontario, when we can get over some of the difficulties that have been discussed arising out of this situation, by putting civil servants, whether they be working for Hydro or any other department, on the basis that they can participate in politics like anybody else.

And we will find that we will have no

greater difficulties than we have at the present time. In fact, we will not even have breaches of the law as it is laid down.

If I may go back to Temiskaming, I can recall one instance there where, at a certain public meeting, there was a discussion of certain officials of Hydro who were involved, directly or indirectly, in the election by having election booths put in their homes and so on.

By trying to draw the kind of line that was drawn by Hydro—and I understand there has been something of a retreat on it—with regard to the participation in political life, I think you are creating unnecessary difficulties, and incidentally depriving a growing number of people of their basic civil rights. This weakens our democracy.

Mr. Speaker, a point that I did want to raise—and I do not know whether the hon. Prime Minister cares to comment on it now—is one that has always disturbed me.

When we are coming to grips with this problem of a genuine conflict of interest arising from an elected representative doing business with the government or the municipality, to what extent is that principle abrogated by this person doing business through, shall we say, a limited company in which he has a major interest?

It seems to me that it opens the door to a violation of the basic principle, if it is possible to set up a limited company and, through that limited company, do business with the municipality or with the government.

Some statements of this basic principle make it very clear; you cannot do business directly, or indirectly, or through a third person. And the Act goes on and on, with a lot of elaborations which one would think would cover the whole waterfront.

And yet I have heard it argued, if a limited company is set up, then the elected representative could have an interest in the limited company and he would not be violating the principle.

I pose this as a knotty aspect of the whole problem, and one which I think, if we want to tidy up the situation completely, we will have to face up to.

Hon. Mr. Frost: Some of these matters we can again discuss in committee. There were some interesting points raised, and I would like to give them consideration.

By no means do I feel that the resolution which I drafted is ample. I have put it on record in *Hansard* so that the hon. members can look it over and give consideration to it.

We need not pass such a resolution in any particular hurry, but I would like to have it ample.

I would be very glad to comment on the points the hon. members opposite have raised, in committee.

Mr. F. R. Oliver (Grey South): May I ask the hon. Prime Minister why he does not include in the bill itself what he is suggesting he is going to include in the resolution?

Hon. Mr. Frost: I would say to the hon. member that actually, as he will understand, it is difficult to include matters of regulations, for instance, in various departments and include them in the statute itself. Frankly, I gave some consideration to that, and in looking at it found it was exceedingly difficult to draw such a thing. It was felt that it would be easier for this matter to be done by resolution than by attempting to put in the statute, for instance, such a thing as a subsidy payable for cattle destroyed.

Actually in this resolution we have used the term "in respect of any regulation of The Department of Agriculture." If it were profitable to draw up a section which would meet that, it would be all well and good, but I think the purpose of the resolution idea, which really came from the hon. member for Brant last year, was the fact that it would be able to deal with those matters perhaps in a more flexible way than we could by statute.

Mr. Oliver: My point, Mr. Speaker, is this, that there are included in the bill things which in my judgment—the judgment of a layman, of course—are less in conflict with The Legislative Assembly Act than those things the hon. Prime Minister now proposes to include in the resolution. It seems to me, at least, that the most important things are being left to resolution while those things which are included in the bill are the least important. Personally, I have never had very much doubt that there was any conflict in respect to The Legislative Assembly Act.

Hon. Mr. Frost: We will look at that section and it may be possible in committee to draft a section which would meet with approval.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Mr. J. Trotter (Parkdale): Mr. Speaker, I would at the outset like to offer my congratulations to the new hon. Ministers of the Crown and to wish them success in their office.

I must say too, Mr. Speaker, that when I came into the meeting of this House for the first time I was very glad to see the hon. Provincial Secretary and Minister of Citizenship (Mr. Yaremko) in his seat. He had ill health during the summer and I know that the hon. members on both sides of the House are glad to see him back in health and wish him the best in the future.

The hon. Provincial Secretary and I have met on many occasions campaigning, he for his party and I for mine, and life has been easier for both of us in that we have never had to run in the same riding. I certainly wish him well and I know that many people that I know and who also know him have the same thoughts.

Mr. Speaker, I would like to say a few words as a result of my being implicated, no matter how inadvertently, in the investigation concerning the Sarnia land deal. I had hoped, for a good reason that I shall explain shortly, that as little advertising on this matter would take place as possible. It was not that I had anything to hide, it was merely that I had hoped other matters and other associations would not be under the glare or under the focus of any advertising or any publicity that would cause harm. The hon. Prime Minister (Mr. Frost) has drawn attention to this, so I feel I have no alternative but to say a few words.

Firstly, Mr. Speaker, I would like to say at the very outset that during all the relevant times concerning the negotiations of the transaction known as the Sarnia land deals, I was completely unaware that even such lands were in Sarnia. At no time had I any knowledge of what was going on. The hon. Prime Minister in his address last Tuesday night made reference to the fact that I had endorsed a Dimensional cheque and during the last sitting of this House sat here and did not even mention that I had signed the cheque.

Quite frankly, Mr. Speaker, I was unaware that I had endorsed such a cheque and I was most surprised to learn that I had, and did not learn so until near the end of the investigation when I received a call from a newspaper reporter saying that they had found this cheque.

I am acquainted, of course, with Mr. Gray, a personality who became involved very greatly in this investigation, and also I had known Mr. Clark. How it came about that I had signed a cheque was simply that, early in 1959, before I was elected to this House, and at a time when the Dimensional Sarnia land deals meant absolutely nothing to me, I did some work for Can-Tex.

This was a new company and I took on the work of secretary-treasurer simply because a few cheques came through for deposit. I am no mind-reader, Mr. Speaker, but from what I know and what I learned of the situation, that company was to be used to purchase land which had nothing to do with Sarnia and which had nothing to do with this area.

Whether things changed as a result of my being elected to this House I do not know, but most certainly the expression used by the hon. member for York South (Mr. MacDonald), that it was a pay-off company, is unjustified. There was nothing whatever to lead me to think that it was in any way involved.

Subsequently, when I came to this House and the name of Mr. Gray came up and the investigation was taking place, I realized there could be some conflict, not as a result of Can-Tex but because I had been associated with Mr. Gray in another matter which did not involve the practice of law or this House. He was prominent in a certain fraternal organization, as I was.

Because the man who did much of the legal work for that organization became ill and had subsequently passed away, I was called in to assist.

It is the type of legal work that is not paid for, it is merely work in this organization, and as a result of it I had seen Mr. Gray on many occasions. I realized that it could be inferred that because I knew Mr. Gray as a result of this work I would do something to cover up or in some way to compromise what I would have to say or do in regard to any investigation.

I must admit that maybe I am unfair to the hon. members of the CCF, but I have expected that if there are to be any insinuations or any innuendoes they would come from that party, and I was quite amazed that it came from the source from which it did.

I wish to say to this House, Mr. Speaker, that I, in no way, tried to hide anything, as the hon. Prime Minister suggested and, at the time of the last session, I had no knowledge whatsoever of any cheque.

The hon. members might ask why, as the hon. Prime Minister drew to their attention, I resigned from this company called Can-Tex. The reason is this: I was very anxious, either in my fraternal association which was most obvious and from which it could be easily inferred that I knew Mr. Gray, or in any other way, not to hamper my own party in any investigation that it was making, and

so that no reference could be made of any association that I might have had.

I may, as a result of these fraternal associations, have been overly concerned; to some extent it was justified when I, at one time, received a call from a newspaper reporter saying that they were going to write an article suggesting that I would possibly be covering up for Mr. Gray because I had known him.

I want to assure this House that, in no way, have I tried to cover up in any matter whatsoever. But when it became obvious to me that Mr. Gray was involved, and the only way I had of finding that ahead of time was a result of what information came into the Liberal office and what I heard from the other side of the House, I was most anxious to keep my party from being in any compromising situation. So I have done my best to do that.

What I most regret from this whole thing, Mr. Speaker, is that it focuses attention on the fraternal organization with which I have been closely associated. I think the first newspaper article concerning me mentioned it.

I also regret that my association, no matter how innocent it might have been, has been used as rather a red herring in the investigation because I am certain that it in no way—Can-Tex, or anything else—had anything to do with the heart of the matter, and they are away off base in investigating it. For myself, I regret there could be any insinuations made that I had anything to do with any government situation, or the purchase of lands in any shape or manner.

When the hon. Prime Minister said the other day that over here we were just playing smart politics, I assure this House that I was doing my best to avoid any politics simply because of other associations which I had, and to which I was most anxious not to cause any harm. The hon. Prime Minister tried to go into some detail, how he checked up on Liberal caucus meetings and what we discussed. Now, I would assure this House once again that I never brought the matter of Can-Tex to the caucus attention because I never thought it necessary and, at that time, the matter of the Dimensional cheque was not even in my mind simply because at the time it was signed, being a relatively small matter, it seemed to have no connection with this investigation. It was never really considered by me.

The only thing I can emphasize is that through other organizations I was acquainted with Mr. Gray. And I would suggest that if the hon. Prime Minister spent less time trying

to snoop around and find out what we were discussing in caucuses, which was none of his business, and spent more time looking after the problems of this province, he would be serving the public far better.

Some hon. members: Hear, hear!

Hon. L. M. Frost (Prime Minister): I did not sneak around. I read it in the paper.

Mr. Trotter: One can disagree with people in politics—and one can disagree violently with people in politics—and yet still have considerable respect for them. And I am one who has had considerable personal admiration for the hon. Prime Minister of this province. But I will tell you quite frankly, Mr. Speaker, that as a result of his performance in this situation a lot of my personal respect for him is shattered.

I would like to put before the House some of the matters that this government has been neglecting and on which—despite continuous promises and various Throne speeches—it has done little or nothing in the way of actual accomplishment, or actual building and making its promises a fact.

One of the first matters, Mr. Speaker, is that of the Toronto psychiatric hospital. There have been numerous announcements over the years that Toronto would have a new psychiatric hospital. In fact, one would be led to believe that from what the hon. Minister of Health (Mr. Dymond) has had to say that there might be one starting in late 1960, or in early 1961. I regret to see that there is no mention of such a hospital in the Throne speech.

I would just like to refer briefly to what I had to say in regard to this psychiatric hospital when I spoke to this House on Friday, February 12, 1960.

I quote:

This government keeps talking about building hospitals; I believe that the hon. Minister of Health really wants them to build the hospitals, but that he is in with a government that has, in the past, not cared and does not have the foggiest idea of what to do about it, and is not even going to try.

I quote from an editorial of December, 1959, from the *Toronto Daily Star*, it says:

"We were reminded this week by Dr. Dymond's announcement"—

then they have in quotation marks the word "announcement"—

"that a \$6 million psychiatric hospital, the biggest and most modern in Canada, will

be in the work programme for late next year or early in 1961."

This was news. It was also news on October 16, 1959, and the hon. Prime Minister confirmed—and that is in quotation marks—that a new psychiatric hospital was to be built. It was also news on October 14, when the hon. Prime Minister announced plans for the same hospital to be built at a cost of \$5 million. Somehow within two days or so it had jumped \$1 million but, evidently, they were not taking it too seriously anyway and \$1 million here or there did not mean too much.

An hon. member: What is a million dollars?

Mr. Trotter: I continue to quote from my Throne speech last year:

It was even better news. The editorial goes on:

"Eight months ago—that would be in April, 1959, when the hon. Minister of Health first announced it. "On that occasion he said he hoped a start would be made on the hospital sometime this year." That was last year, of course, in 1959.

"Milking the same announcement for the sake of headlines is, of course, an old pastime for politicians. It assumes unhappy overtones, however, when the subject is human suffering."

Mr. Speaker, I think this is typical of the many programmes on which the government in the past has promised and has done very little; or when it proceeds to do something, it takes years of announcements and then finally it gets around to putting up some sort of building when it is long overdue.

Now we in Toronto have a real problem as the result of not having sufficient space for those people who need mental attention.

Dr. Bates, here in the city of Toronto, prepared a report for the local authority and pointed out in his report that as a result of Toronto not having proper facilities many of the individuals who are arrested for causing a disturbance and who are really not criminals, but who should be given mental treatment in a mental institution, spend the time in the Don jail.

Dr. Bates says in his report the major problem in fulfilling the responsibility—that is the responsibility of looking after people who are arrested for causing a disturbance—is the difficulty of obtaining a hospital bed when it is needed for these persons. The number of beds now available to the courts in the metropolitan area is not sufficient.

It is understood that the proposed new psychiatric institute will contain a ward of 40 beds for this purpose. At present a person who cannot be given suitable accommodation in the hospital must be held pending a mental examination in the Don jail. This procedure is damaging to the self-respect and dignity of a person who may be only mentally sick and not fully responsible for the disorderly or unusual behaviour that led to his being arrested.

In 1959, Mr. Speaker, there were 244 persons examined in the Don jail, while only 75 were remanded to the Toronto psychiatric hospital or to other Ontario hospitals in or near Toronto. So you can see, Mr. Speaker, that there is an urgency in this city, not only in the case of looking after people who get into trouble with the law, but in the overall picture of mental health. So I do hope that sometimes these announcements will lead to some reasonable accomplishment by this government.

There is one further matter, Mr. Speaker, pertaining to the mental health needs of this city, and that is the importance of having a clinic to treat people; to assist those who are in danger of going to a mental hospital or assisting those who have been released from the hospital.

It is common sense, Mr. Speaker—in the long run it saves money—that if you can treat people before they become patients, or are in a position to release people early from hospitals, you save the expense of the extra bed.

Therefore it is prudent that we encourage any course that we may have in making the necessary preparations that are required. I quote once again from Dr. Bates' report:

Despite the impressive array of medical health facilities and services, there is a waiting list at every clinic, the waiting list varies at each clinic, depending in part upon the season of the year, but it ranges usually from 1 to 3 months.

So you can see, Mr. Speaker, that in these clinics we have a waiting list that lasts 3 months. This government will do nothing, it has done nothing any more than the hon. Minister of Health is doing now, sitting around and reading the *Toronto Telegram*. I suggest that he would improve his mind and be of greater service to this province if he would put aside that old paper, the *Telegram*, and listen to some of the facts and some of the needs of this city.

The question arises in this city as to whether these waiting lists at clinics and

hospitals will be reduced by the building of more facilities at some later time. Hospitals are needed but the situation is now reaching such a point that the only proper way to give immediate assistance to the problem of mental health is to increase the work of clinics. I suggest that it is the duty of this government to do something and not to delay and frustrate the whole matter by the continuous series of announcements which mean nothing and which are only meant to fool the people of this province.

Mr. Speaker, I would like to address, through you, a few remarks in regard to hospitals and hospital schools for retarded children. During the last session this matter was discussed at some length, and we discussed the matter of Cedar Springs. I must say that I am glad to see that at long last it seems that there will be a hospital ready and some beds ready at least by next April. But I wish to discuss this matter further, Mr. Speaker, because not nearly enough is being done.

In some areas of this province where there are no schools for retarded children, the people interested, the parents of retarded children and their friends have set about providing them. The government gives them a grant of 30 per cent of approved costs for a school for retarded children, and then it is up to the parents and their friends to raise the rest. They must either pay it themselves, have service clubs assist them, or depend upon the support of the area in which the school is in.

The government also provides \$25 per month for any retarded child from the age of 5 to 12, and \$50 per month for any child, going to a retarded school, between the ages of 13 to 18 years. These grants do not include transportation costs or many of the extras that are needed to run such a school. The grants that the government give cover only about 40 to 50 per cent of the cost for these schools.

I suggest, Mr. Speaker, that these retarded children and their families are being seriously neglected by this government. Their needs are being neglected for this reason; the parents of retarded children pay their school taxes just the same as anybody else who has property and yet, because their child is retarded, they are not allowed to use the public schools. I say, Mr. Speaker, that there is an incumbent duty on this government to see to it that they supply schooling for these children.

In regard to the necessity to assist retarded children, Mr. Speaker, I would like

to speak at some length on the lack of an adequate programme to meet the need for schools for retarded children and the hospital schools. On November 16, representatives of the Ontario association for retarded children appeared before the hon. Prime Minister of this province. They had prepared a very thorough and a very interesting brief. They had prepared it in March of 1960, but it was not until November 16 that the hon. Prime Minister of this province could find time to see them.

When they did appear before him, they received treatment which is best reported in an old Tory standby, the *Toronto Globe and Mail*.

Now the delegation from the Ontario association for retarded children were treated like this.

The headline goes:

DELEGATION REBUKED FOR NEGLECTING CREDIT

Premier Leslie Frost rebuked a delegation seeking a crash building programme for retarded children's hospital schools because a 12-page brief failed to give enough credit to the Ontario government for action already taken, according to members of the delegation. This allegation emerged yesterday, the day after the 4-member delegation of the Ontario association for retarded children spent 3 hours with the Premier at Queen's Park.

We have a situation here, Mr. Speaker, where the hon. Prime Minister seems to be annoyed unless the delegations call to give him credit; credit for very little according to what I have here from their report. It seems to me, Mr. Speaker, a disgrace that if a delegation does come to the hon. Prime Minister and after going to considerable effort to prepare a very reasonable and well prepared brief, they do not receive better treatment at the hands of the hon. leader of this government.

Hon. Mr. Frost: There has been a mistake somewhere. There must be a mistake somewhere.

Mr. Trotter: I am told, Mr. Speaker, that the chairman of this delegation hardly got two sentences out and then he had to listen to a long discourse on the wonders of this government from the hon. Prime Minister. I think it is time that this government, especially the hon. Prime Minister, instead of doing some talking, looked and listened, and then gave this province some good government which it needs and which it has not

been getting; especially in the field for mental health, and especially in the field to assist retarded children.

I might say this first, Mr. Speaker, that much of the blame for the lack of sufficient hospital space for retarded children has been placed upon a public "which just does not care." In the past that might have been true. The hon. Minister of Health in his department has done some good work, some considerable work, in advertising and giving publicity to the need of help for retarded children. But I would like to suggest to the hon. Minister of Health through you, Mr. Speaker, that his advertising and publicity should be directed to the hon. Prime Minister and to the treasury board who evidently have no understanding and no interest in the problem whatsoever.

I wish to be fair to the hon. Minister of Health and the hon. Minister of Education (Mr. Robarts)—both of these men, obviously, are aware of the problem and, I think, in many respects they have a real desire to do something to assist the situation. But it is a shocking thing that in this government there are two hon. Ministers who probably are interested and yet they can have no influence whatsoever on the hon. Prime Minister and the treasury board.

Just let me cite some figures, Mr. Speaker, to give you some idea of how little the government is actually doing to meet this problem which is so necessary and so pressing and will, in the near future, become very pressing unless the government takes far more vigorous and direct action than it has in the past.

First of all, I will quote some figures to give some idea of the great need.

Careful estimates of many countries put the number of retarded between 2.5 and 3.5 per cent of the population. A conservative estimate of two per cent was chosen for the figures for this brief. In other words, these people are not trying to overestimate, to be frightening, they are trying to be reasonable.

And I must say this too, Mr. Speaker, in fairness to the Ontario association for retarded children. They are not of any political party, they do not wish to get involved in party politics, but they are most anxious to help the children who do need help and are most anxious to bring it to the attention of this government.

Now, I do not think the hon. Prime Minister, on November 16, was very anxious to listen to them or to hear what they had to say. He was looking for compliments for himself and his government. And I will

tell you, Mr. Speaker, that I am not here to compliment this administration. I am here to give them some facts and some idea of the work that should be done—it will take me a long time, too.

I have said, Mr. Speaker, that two per cent of our population is retarded, and that 10 per cent of this two per cent will require institutional care because of their handicaps or problems created in the home. In 1965 some two per cent of a projected population of 6.85 million people in this province means a restrained estimate of 137,000 retarded individuals of all ages; and 10 per cent, or 13,700, will likely require hospital care. That is, in 1965, almost double the capacity of Orillia, Smiths Falls and Cedar Springs.

We have heard, Mr. Speaker, that they have provided 300 beds in Gravenhurst. But all that has actually taken place is to empty one old building at the Orillia school, which should have been emptied years ago, and remove the patients to Gravenhurst. The effort was needed and it is a good move, Mr. Speaker.

But at the same time, it has not supplied any extra bed space for the very pressing problem of the number of children who need help.

Then, Mr. Speaker, I think it should be pointed out—and it is similar to the psychiatric hospital in the Toronto area—that we are suffering from announcement after announcement, but are not receiving any actual accomplishment. This brief says in part:

The Minister of Health last spring announced that a new hospital school will be built in northern Ontario but no definite announcement regarding purchase of site or letting of contract has followed.

Now, I know in Sudbury they think they are going to get it. The hon. Minister of Public Works (Mr. Connell) was very careful to tell them in New Liskeard that they had the best place. But today, as far as any school for retarded children goes, it is nothing but an instrument for playing politics. And here, again, these people who have been watching the situation for years, say:

Advance announcements for the building of a new hospital school for western Ontario appeared regularly for 4 or 5 years before construction actually began at Cedar Springs. It would seem unlikely by earlier experience that any new accommodation in this area could be expected within 3 years at the most hopeful.

When they say "this area," they mean in the area of northern Ontario.

I might also point out to you, Mr. Speaker, two of the salient points in their brief; Orillia, Smiths Falls and Aurora populations as of December 31, 1959, were 5,400 in total. All report serious overcrowding varying from 20 to 39 per cent. Waiting lists were recently reported at Orillia with 1,500 and Smiths Falls with 700.

Now, Mr. Speaker, when you have a government that in the past 10 years has not been spending all the money voted by this House for public works, when they have known that there was a real pressing problem; it is time they did something about this problem and quit having discussions about foreign trade or the—

Hon. R. Connell (Minister of Public Works): Some \$20 million was spent in the last two years on public works for mental institutions. What do they mean by saying that?

Mr. Trotter: Well, Mr. Speaker, I read in this House not only in the last Throne debate but in the debate on unemployment; setting out the figures for 10 years showing that from 1950 to 1959, inclusive—10 years—there has been a total of \$65 million voted for capital projects that were not spent. Now—

Some hon. members: Hear, hear.

Mr. Trotter: So that I suggest that the hon. Minister, instead of trying to correct me on perfectly correct figures, go to his office and make some plans to—

Hon. Mr. Connell: Does the hon. member not agree that \$20 million in two years on mental institutions is a lot of money?

Mr. Trotter: I do not deny that the hon. Minister is now starting to do something. But I would certainly point out to him that he is not doing nearly enough. For 17 years this government has neglected this problem completely. And now, in recent years—the last two years—they decide to spend something. The department has done some work at Cedar Springs, it has done some work with research in London. But as I said before, the transfer of 300 adult retarded people from the hospital school at Orillia is an effort to relieve the overcrowding in the old buildings, but it is merely a token effort. It is a token effort, Mr. Speaker, and it is not approaching the problem as it should be dealt with.

May I suggest, Mr. Speaker, a few ways in which this government could improve the situation—ways suggested by the association for retarded children?

One is this: That the government see to it that more diagnostic clinics are set up so that many of these retarded children could be kept at home and have their parents look after them and to have treatment centres so that it would not be necessary for many of these children to be kept in the hospitals.

It would serve two good purposes. It would save the province money and it would keep the children in their homes.

If the government made the effort to expand, in the immediate future, some of the facilities that they now have, it would be of great assistance. Concerning the serious overcrowding at Orillia, Smiths Falls and Aurora—as I have mentioned earlier their populations totalled 5,400, with Orillia possibly at the highest of 39 per cent—this is a situation in which much could be done in the immediate future if the government made a real strenuous effort.

Of course, if the government does not in the immediate future do something to alleviate the overcrowding in these hospitals, it is going to affect the standards of the schools themselves.

Because—I would ask, Mr. Speaker, that the hon. members keep this in mind—these are schools for retarded children. They are meant to teach the child so he can learn enough so that possibly he can be re-established in his home. There are many cases as well that are strictly bed cases, where there is going to be little or no hope of them ever being returned to their homes. At the present time in Orillia there are so many bed cases that those patients that could be properly treated and instructed are being neglected for the simple reason there is a lack of space and a lack of personnel.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, may I ask the hon. member a question? Would he be a little more specific about his charges of neglect, please?

Mr. Trotter: Why, yes. Are these charges not obvious; that in Orillia there is a waiting list of 1,500; that in Smiths Falls there is a waiting list of 700?

I will say this, Mr. Speaker, there are so many people in this province who have a sad situation at home, who cannot get their children placed. As the hon. Minister knows, many hon. members attempt to get these children into the hospital. On the many occasions I have approached the hon. Minister in this respect, he has been most helpful. But it seems to me a shame and a disgrace that, in order to place a retarded child in a hospital, people have to go to an MPP. I would say that these children should be

placed and helped and their parents helped as a matter of right.

Such a problem as a retarded child could strike any family in this province. And the very fact there is a waiting list to get into Orillia of 1,500, and a waiting list at Smiths Falls of 700, is an indication of obvious neglect going back over the years. I know that the present government has been able to hide behind the happy Scottish accent of the present hon. Minister of Health, because many people know that he is interested in this problem. But I will tell the hon. Minister of Health through you, Mr. Speaker, that his hon. government leader and his treasury board are not paying any attention to him. Anything they have done is as reported in this brief. It is a token effort and that is all it is.

Hon. Mr. Dymond: Mr. Speaker, I think I have to rise on a point of privilege in this case. The hon. member is very obviously unacquainted with the facts. Neither my hon. leader nor the hon. Provincial Treasurer (Mr. Allan) have halted me in any efforts I have made in the interests of these children. I would point out, sir, that my request for specific information concerning neglect has not been answered. The waiting list figures are completely out of keeping with facts. I would remind the hon. member to look back in history only a few years and remind himself that Smiths Falls should have been opened at least 15 years earlier—

Mr. Trotter: I will say this, Mr. Speaker. The hon. Minister is certainly loyal to his government, but he is not accomplishing what he is meant to accomplish. I again say what this brief says, that it is merely a token effort. Simple figures in the hon. Minister's department will indicate that even the new 1,200-bed hospital at Cedar Springs will actually take care of less than half of the present known need at Orillia, and will really do nothing to relieve the present overcrowded condition of other hospital schools, let alone do anything for providing for the future.

When these people see a situation like that, why should they come to the government, why should they come to the hon. Prime Minister of this province trying to say what a fine fellow he is, what a good job he is doing? It is obvious to these people who have lived through this situation, who have known the facts, that this government has been neglecting its duty. They themselves say—and I repeat this for the hon. Minister—"that advance announcements of the building of a new hospital school usually appear regularly for 4 or 5 years before construction." It

is advance announcement that this government seems to excel at, not actually building the buildings that should be put up.

Mr. Speaker, in one other respect—let us say the long-term aspect of the need for retarded hospitals—I would just like to refer briefly to the fact that the people from the Ontario association for retarded children tried to point out to the hon. Prime Minister the need for more hospitals in the future. They projected the picture from 1959 to 1975, showing that by 1975 the retarded children requiring hospital care will total 17,600. Looking at it in the future, this could be an extremely serious problem if the government continues to treat this problem in the lazy and indolent manner it has in the past.

For example, assuming that the total population of Ontario at the end of 1959 was 6.04 million, 10 per cent of two per cent of this population is 12,080. Totalling the population of Orillia, Smiths Falls and Aurora at 5,400 and the number known to be on active waiting lists of 2,200; plus an approximate 4,215 adult retarded who are presently in Ontario hospitals; this would give a minimum of 11,815 requiring hospital care. When compared with the previously estimated demand of 12,080, it would seem that the method of estimation is reasonably proper.

I suggest that if the hon. Minister does not think that his department is doing enough, he should read this brief and, if possible, draw it to the attention of the hon. Prime Minister.

Hon. Mr. Frost: Mr. Speaker, might I say to the hon. member that I did see that deputation, and I found it a very interesting deputation. As a matter of fact, I spent 3 hours with them.

Mr. Trotter: Mr. Speaker, the hon. Prime Minister is not making a speech and I suggest that on another occasion he might have something to say, but I am going by what they tell me and what is reported in this paper.

Hon. Mr. Frost: Might I ask the hon. member a question?

Mr. Trotter: Mr. Speaker, I appeal to you, I am on my feet and I suggest that I be permitted to continue.

Hon. Mr. Frost: Might I ask the hon. member a question?

Mr. Trotter: Not at the present time, later on. I am not answering a question here. I just want to sum up this problem of the hospitals for retarded children—and I intend

to bring it to the attention of the hon. Prime Minister again and again, as long as I possibly can, until we get some action out of him, for he has been doing nothing about this problem for years. I just repeat this matter that was in the paper. I think it is typical of a government which has become arrogant after 17 years of power—how they treat people. “Premier Leslie Frost Rebukes Delegation.” And I find, Mr. Speaker, that the only way that these people are ever going to be treated properly or the problems of Ontario are going to receive proper treatment is to see to it that a government is in power that knows what it is doing, and that the group over there is turfed right out of power.

Now, Mr. Speaker, I would like to point to another problem that has been neglected by this government. Instead of a series of announcements about what they are going to do, they have appointed a committee so that they can do as little as possible or nothing.

You know, Mr. Speaker, the hon. Prime Minister has a theory of how he should govern this province. I think he was quoted once as saying; “We do a little here, we do a little there, and wait for next year.”

And this is typical of the type of Tory government that we are getting at a time when we do need leadership. We are getting this “a little here, a little there” and sitting around talking about mortgage rates and the foreign trade.

I would like to turn to the matter, Mr. Speaker, of fluoridation. This government appointed a committee in mid-March of 1959—I can see that the hon. Minister (Mr. Dymond) is even afraid to face the problem, he is on his way out—but this committee he appointed in mid-March of 1959 did not—as far as we know—meet or do anything until May 2, 1960, when they held a hearing. And then the word is now that in June they had a few secret meetings.

This is how this serious problem is treated by the government in power. We may have different views, whether fluoridation is a good thing or not, but this government seems to have ignored all the medical evidence.

We in this province, Mr. Speaker, spend \$47 million per year on dental care. Through the advantages of science, through the knowledge of scientists, it has been shown that dental care can be greatly helped by using a treatment of water known as fluoridation.

Now in Brantford in 1945, Mr. Speaker, fluoridation was put into effect and since that time tooth decay in Brantford, Ontario, has been reduced by 65 per cent. And yet only in

recent years, Mr. Speaker, this government has made it impossible for a small or a large municipality to use this system that has been obviously found helpful and useful. Fluoridation is in effect in 21 countries throughout the world. In the United States since 1950, some 35 million people were introduced to it.

But I do say, Mr. Speaker, that people should not be forced to accept such treatment. If a community such as the community we are now in has a council that wants to put it into effect, or its people vote for it, I say that they should be allowed to have it. Because there is a tremendous list of medical authorities in Canada and many American states which has certainly shown beyond a shadow of a doubt that fluoridation is a good thing, especially for the children. The Canadian dental association and the Canadian medical association are among those in the long list of people who support such a move.

Now, Mr. Speaker, I know there are people like the hon. member for York-Humber (Mr. Lewis) who might be afraid of it, who might think it is rat poison, so I would like to read just a small item that appeared in the *Telegram*, that good Tory paper, about whether or not fluoride would be rat poison.

Mr. W. B. Lewis (York-Humber): I did not say it was rat poison.

Mr. Trotter: Well, I did not suggest that, I said there are people who do.

Well, listen to this, this is from a good Tory paper.

Meanwhile anyone who drinks Toronto water is consuming something with just as bad a reputation as fluorine, and veterans of World War I can vouch for the deadliness of chlorine, but it purifies the water, along with bromine and iodine, and all 4 are deadly poisons.

But so is water in any form taken in too great a quantity, because you can drown in it. Strychnine can be lethal, but lots of people are alive because doctors prescribe its controlled use.

Iodine is essential to good health in maintaining thyroid glands in functioning. Entire areas of this continent are short of it in the soil with the result of a deficiency of it in diets. So it is added to salt as an easy way to offset the need. Iodine is an excellent enemy of bacteria and is used widely to put on youngsters' cuts, but it is a poison.

Bromine is a basic sedative that doctors prescribe to calm people who are mentally

upset. Here again a poison is widely used for beneficial results, and just as chlorine in water supplies closed up entire floors of typhoid cases in Toronto hospitals a few years ago, similar chemicals can be used for either a good or a bad purpose. Who would vote to take chlorine out of Toronto's water?

Almost anything can be used improperly and by the same token used wisely.

In the light of studies by the world health organization in 19 countries, surveys by medical societies and dental associations, fluorine stands as a beneficial agent that drastically cuts tooth decay in children, the age at which adult tooth troubles are established.

And yet, despite the proved usefulness of fluorine, this government will not give the people in this province the opportunity to use a needed chemical. Whether or not we disapprove of it, I suggest to this House and to this government that it is time we got some action out of this little group that was appointed away back in March, 1959.

It costs 10 cents per year to have fluorine in the water, and how much cheaper that is than the feeble suggestion by the hon. former Minister of Health (Mr. Phillips), who suggested and endorsed a fluoride dispenser for home use back in September, 1959, which would cost \$99 to instal, and over the course of 10 years \$100 per family. I do not know if that manufacturer was a friend of the hon. former Minister, but certainly 10 cents per person is far more efficient and far more helpful.

Now, the hon. member for York-Humber was concerned about the overconsumption of water. If he thought that chlorine might be poisonous if taken in too great a quantity, he should know that with either an 8-ounce glass of water or an 8-ounce glass of beer he would have to drink 90 imperial quarts with fluorine in it at one sitting to poison himself. I do not think that any hon. member in this House has quite that capacity for water or for anything else.

Mr. Speaker, I suggest to you that the hon. Prime Minister of this province should do something to get his committee to give the children of this province what they need in the matter of curing tooth decay. For whether it be hospitals for retarded children or the fluoridation of water, this government has been consistent in one thing—of putting off, of doing nothing, of being lazy on the job.

I suggest that it is time that the people of Ontario got some action from this govern-

ment with so many hon. Ministers and hon. Ministers without Portfolios; that they put these hon. Ministers without Portfolio to work to see that this province gets far better administration than we are getting at the present time.

Mr. G. W. Parry (Kent West): Mr. Speaker, I would like to rise at this particular time. I have not much time. I generally make my speech in 25 minutes but I know the hon. members would not want to listen to me after 6 o'clock, so is it your wish that I go on with my speech? Thank you.

First, I want to congratulate the hon. mover (Mr. Gomme) and hon. seconder (Mr. Evans) of a motion for an address in reply to the Speech from the throne. They must have put a great deal of time on their speeches, which were well delivered and very instructive. I congratulate them.

Further, I want to congratulate the new hon. Ministers who have been promoted to cabinet rank. I am sure men of their calibre will be a great asset to the administration of this Legislature.

I want to say to you, Mr. Speaker, I do not know whether I should congratulate you or offer you a vote of sympathy, but I want to assure you that, in my opinion, you are rendering a very excellent service.

Mr. Speaker, I want to talk a little about the county of Kent and something which is a bit of a problem to us there: the sugar beet situation.

We have two refineries in the county of Kent, one at Wallaceburg and one at Chatham. The Wallaceburg plant is closed this year because we have not sufficient beet acreage to operate the plant. The other plant at Chatham is running about three-quarters of capacity due to reduced acreage.

The acreage that will be processed by the Chatham plant is 1,600 acres of beets. The Chatham plant has, in the past, processed a crop grown on 2,500 acres.

I would like, just in brief, to say something about these sugar factories which were established over 50 years ago. The Chatham plant has continuously operated, and the Wallaceburg plant, with the exception of one year, from the time they were brought into being. We were in difficulties in 1940 and the hon. Prime Minister (Mr. Frost) was then Provincial Treasurer. He came to our rescue and the plants have survived up until our present predicament.

I would not want the hon. members of this House to think that I am advocating subsidy. I loathe the word "subsidy," especially

when we have no surplus of sugar. We have plenty of markets for sugar. The only thing is that, if we were involved in war, we would experience what we witnessed in the last world war, the rationing of sugar.

What does this mean to us? We have two plants estimated at \$15 million. Let us go into the harvesting and processing and cultivating. The farmers' equipment amounts to \$5 million. Mr. Speaker, this \$5 million worth of equipment would be of very little use in cultivating or harvesting many other crops that we produce in southwestern Ontario.

I would like to say something about this sugar situation and the reason why sugar is cheap. We are processing sugar from sugar beets.

They have cheap labour, I believe, in Cuba, which is one of the largest producers of sugar in the world. Due to low wages and low standards of living in that country, we cannot compete here under the present price of sugar.

Mr. Speaker, sugar has advanced in price very little during the last 10 years. I would just like to quote a few items that have advanced.

You pay 24 cents, I believe, for a loaf of bread, and 25 cents for a quart of milk, and I am told that you pay 25 cents for a bottle of beer. I do not know whether that is right or not, but I have friends who have intimated that is what they had to pay for it.

Now, Mr. Speaker, the amount of labour that is involved in the production of sugar beets—it is true it is seasonal—is available, after the season of harvesting and thinning of beets, for the production of tomatoes, corn, hybrid seed corn and many other crops that need and require hand labour.

I would like to mention something about what I think is a federal-provincial problem, but I do urge the provincial government to lend every assistance towards setting up some kind of sugar policy. In my estimation, it is something that we need if we are going to produce sugar from sugar beets.

Sugar beet policy? Yes! They have a sugar beet policy in the United States where I believe it is in the form of a tariff. Great Britain has a sugar beet policy. And Great Britain with its tight little island is producing about the equivalent of the amount of sugar we are producing here. We are producing only 20 per cent or 23 per cent of the sugar that is consumed in the Dominion of Canada.

I would like to stress this very strongly: War is not inevitable. We realize it. I am told when talking to some of the sugar officials

that this trouble in Cuba is serious, and I do not think the hon. members of this House should think that I am talking as a sugar beet grower alone. Today we have sugar that is required for canning crops. The amount of sugar that is consumed by some of our major canning companies is enormous. What would be the result if sugar were curtailed? We are living today out of cans. I am told that the Heinz people use 10 million pounds of sugar yearly for canning purposes.

We had a very successful meeting here with the hon. Minister of Agriculture (Mr. Goodfellow) and his associates. Also we met with the federal hon. members and the provincial hon. members. Then we had another meeting with the sugar beet growers' association, and there were present members from 8 counties of southwestern Ontario. Then on November 10 we met with the federal hon. Minister of Agriculture (Mr. Harkness) and his associates. Our hon. Minister of Agriculture for Ontario led the delegation.

Beyond that we have two economists who have been at work on a survey regarding the sugar beet question. I am sure from what I have read of this brief that they are going to present something that is going to be very helpful to this industry in endeavouring to set up some kind of policy so this industry will survive.

We have had full co-operation from the processing company. This is the first full co-operation from the company. This is the first time to my knowledge that the company has offered their full co-operation, their books are wide open.

Now they did lose a substantial amount of money last year due to a bad weather season. That is, we had extreme dry and then extreme wet weather, resulting in very low sugar content in beets. Last year the sugar content was only 13.4 or 13.5. But there was a heavy tonnage, and a large acreage. The result is that this year the acreage has been reduced.

But I want to say to the hon. members in this House we have a quality of beet this year that is producing 16.5 sugar content and a tonnage of around 14 tons to the acre. So we have a fair crop but very, very light acreage.

Now I have one or two other comments here while I am on sugar beets. We have kept abreast of the times with our research work. I have heard some statements in this House as to what this government has done regarding research. I would like to elaborate on many other things besides sugar beets—in

livestock and many other things—but I have not the time this afternoon. I would just like to tell hon. members what we have done in the production and the development of sugar beets.

Today we have a very, very high quality of sugar beet, producing a high sugar content. We have eradicated black root, which back in the early 1930s nearly eliminated the sugar beet crop. And the blight is being taken care of today. Now all that has been done through research work through the provincial government and our colleges, and also the college at Lansing. That has been brought about by research work and working together for a good cause.

Now then we have another point here I would like to make. The seed that we have today is what is called the monogerm seed. I might qualify this. It is something the same as the atom bomb. It splits into 4 or 5 different parcels and each one will produce one beet plant. At one time we planted 15 pounds of seed, today we use about 3 pounds.

Then we have a precision drill that will drill the beet seed and drop it around 4 inches apart, to eliminate this strenuous back work. Now, the sugar beet drill, in my estimation, is going to relieve a considerable amount of the cost of working and thinning the beets because that can be done with cross-furrow cultivators and also with a long-handled hoe.

I want to leave this point with you, sir, before I get away from farming; rotation—

Hon. L. M. Frost (Prime Minister): Would the hon. member like to adjourn the debate?

Mr. Parry: I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I would point out that I have discussed the committee meetings on Wednesday with the Clerk of the House and, I think, it would be better, sir, to have no sittings on this coming Wednesday, but rather let private bills meet at 10.30 a.m.; at 2.30 p.m., education; at 3.30, legal bills; at 11.30 a.m., highways and highway safety. This makes a pretty full day.

If we can avoid having no sittings on Wednesday, December 14, I would like to do that and perhaps it could be arranged to have any committee meetings in the morning at that time during the last week. We should, I think, be rising a week from this Friday.

Tomorrow we will deal with the estimates of the Provincial Auditor, Lieutenant-Governor, Prime Minister and with Throne debates. Subject to this, there are some bills on the order paper that can be proceeded with; that is, I think, in the committee stage. We might as well try to clean up tomorrow if we can.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, December 6, 1960
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 6, 1960

3 O'CLOCK P.M.

THE PROVINCIAL PARKS ACT, 1958

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery students from Sutton west, and in the west gallery students from St. Gabriel's school, Willowdale.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Hon. L. M. Frost moves, seconded by hon. J. N. Allan, that when the House adjourns the present sittings thereof, it shall stand adjourned until Thursday. Also, the House meet at 10.30 a.m. on Friday next and on Friday, December 16 and that rule 2 of the assembly be suspended insofar as it be applied to this motion.

Motion agreed to.

Introduction of bills.

BOUNDARIES OF ALGONQUIN PROVINCIAL PARK

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to extend the boundaries of Algonquin provincial park."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in giving a short explanation of this bill, I might say that the purpose of the Act is to add the public lands in the geographic townships of Bruton and Clyde in the provisional county of Haliburton to Algonquin provincial park. These lands will be considered to be slightly different from the point of view of management of the fish and wildlife resources in that it is proposed that hunting and the use of firearms will be permitted on them.

Hon. Mr. Spooner moves first reading of bill intituled, "An Act to amend The Provincial Parks Act, 1958."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I will give a short explanation of this bill. The purpose of section 1 will be to authorize the Lieutenant-Governor-in-council to designate any provincial park or any part of a provincial park as being an area in which hunting is permitted during the period specified. Another section makes provision for disposal of lost, mislaid or abandoned property in a provincial park. For instance, many articles are found by our parks officers and we have no authority to dispose of these articles. We do try to find the owner so that the articles can be claimed. With this legislation, we will be able to dispose of these articles in due course of time.

Another section of this bill will prohibit travel on a road or a trail that has been closed to travel and proper signs put up. I think, Mr. Speaker, that it would be of interest to the House if I were to give a short statement in connection with hunting in provincial parks.

A comparatively short time ago there were only a few provincial parks in Ontario. They were all set aside in accordance with the principle set down by the parks commission report of 1893, and were unique—dedicated areas with a much wider purpose than recreation. It was then established that a provincial park should automatically be a game preserve.

In the days when our practice of game management as a special activity had not yet started, and when our resources for game protection were very circumscribed, the provincial parks, especially Algonquin and Quetico, stood out as wildlife areas because of the special protection afforded them.

Some of our early parks included marsh lands for which there was no reason why public hunting during the legal open season should not go on. Therefore, in Rondeau, Presqu'île and, in its former boundaries,

Long Point park, special arrangements for public hunting in the marsh lands existed for a long time. We now have a large number of parks which are primarily recreational areas and for which the prohibition of hunting does not contribute anything to the preservation of wildlife in the province in the broader sense.

Furthermore, we are now establishing wildlife management outside provincial parks on a much firmer basis than it used to be established.

We can now recognize clearly those areas in which there is a need for special protection for some or all forms of wildlife, and this protection is arranged for regardless of such things as provincial parks.

In the many new parks which are being established, the principle of multiple use is being applied, and in accordance with this, hunting, as recreation, should not be abolished unless its prohibition meets with some special needs. Instead of the principle that hunting is prohibited, unless some special circumstance makes it necessary, we propose for a number of our parks that hunting will continue unless some special circumstances make abolition desirable.

This proposed legislation would allow us to use our parks as managed hunting areas during the season when this will not interfere with other forms of recreation. This will be of great benefit when we consider that many of our parks are in parts of Ontario where there is a shortage of public lands available for hunting.

Mr. Speaker: Orders of the day.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the fifty-second annual report of The Hydro-Electric Power Commission of Ontario for the year ended December 31, 1959.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I desire to take the steps required to table the estimates of The Department of Economics, The Department of Insurance, The Department of Mines and The Department of Travel and Publicity.

The estimates that have been tabled to date, together with these estimates, of course, could not possibly be dealt with between now and the end of next week. I can assure the hon. members of the House that that is not the purpose. But if we have these estimates tabled they can be considered when this House resumes its sittings at the beginning of the year.

Therefore, I would say that we will endeavour to follow the procedure which will satisfy the convenience of the hon. members of the House.

I did suggest yesterday that the estimates of either The Department of Economics or The Department of Energy Resources would be considered on Thursday. Owing to the fact that the hon. Minister of Energy Resources (Mr. Macaulay) finds it necessary to be away on Tuesday and Thursday next, because of some commitments in relation to his department, it would be much more convenient to deal with them this Thursday, and have The Department of Economics dealt with on the following Tuesday. Now with that explanation I would say that I have a message from the hon. Administrator (Mr. Porter) signed by his own hand.

Mr. Speaker: The Administrator of the government of the province of Ontario transmits estimates of certain sums required for The Department of Economics, The Department of Insurance, The Department of Mines and The Department of Travel and Publicity for the year ending March 31, 1962, and recommends them to the legislative assembly, Toronto, December 6, 1960.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, in conjunction with the estimates, I would like to ask the hon. Prime Minister whether he will advise us at what stage we will have the budget speech. I realize that it will not be immediately, of course, but I am concerned, and I have heard the concern expressed from a number of sources, that this may be an expedient move. I think there is some justification for expediency.

But from the theoretical point of view at least it does raise this problem. All of these departments are important. But some have more ramifications than others and are closely associated with the budget itself.

It does again demonstrate the inefficiency, if I may use that word, of trying to anticipate what will come later.

I would ask the hon. Prime Minister, firstly, whether he has made a determination as to when we will have the information of the budget address?

Secondly, I would appeal to him that we use the facility that we have on the order paper now to exhaust such things as unemployment, which certainly is an immediate problem of great concern.

Also, I suggest that we leave the estimates to those times when other business cannot

be conducted, or at least postponed to such time when we have finished the unemployment argument and the Throne speech. Then we can go into them at a time more approximate to the time when we will have the budget address before us.

Hon. Mr. Frost: Mr. Speaker, the method of introducing the estimates and the discussion of the estimates, as the hon. leader of the Opposition knows, is an ordinary practice elsewhere. First of all, with the estimates—the hon. leader of the Opposition is quite correct in saying that there are certain estimates dealing basically with the budget itself—for instance, the estimates of The Department of Education. That is also probably true of The Department of Municipal Affairs. I think it is true with The Department of the Treasury, dealing with the servicing of debt and things of that sort. There are others.

But I point this out—the calling of a session in the autumn, as we are experimenting with, creates an entirely different situation. It seems to me that there are certain estimates which really do not deal with the budget fundamentally. Of course, they all deal with the budget, but nevertheless they are not large-spending departments and perhaps at this time, with a session prior to Christmas, we can deal with them now without interfering with the presentation of the budget.

Mr. Speaker, the presentation of the budget itself creates another problem in doing what we are trying to do with a split session. We find—and I think experience has shown this—that the closer the presentation is to the end of the fiscal year, the better. We have, as you know, in recent years introduced the budget some time around about February 20. There are many reasons for doing that.

On the other hand, it may be possible to advance that date somewhat. The hon. Provincial Treasurer (Mr. Allan) has raised some objections to that but, nevertheless, we may be able to advance the date to create more opportunity for discussion in a more leisurely way.

Splitting the session does create a lot of problems. It is pointless, and I think the hon. members will agree, to meet for 3.5 weeks before Christmas as we are doing this year if we accomplish nothing and business piles up into the other end of the session.

I can assure the hon. leader of the Opposition that the only purpose of our endeavours is to do as much as we can in this 3.5 weeks so that we are not faced with crowded circumstances in the session in the spring.

If we work this out we can make good use of the experience of this year. A lot of it involves complete changes in our procedures. We are doing our best to work that out by the end of next week because I would propose that we should adjourn a week from Friday. I would like to accomplish as much as we reasonably can to take the weight off the other part of the session, which is going to be heavy enough.

It may be that in other years we could meet somewhat earlier. On the other hand, I can assure the hon. leader of the Opposition that this year there has been a good deal of difficulty meeting on November 22. From discussing it with our friends in Quebec, who have had experience in this matter, the middle of November was the time which seemed to be most reasonable. If the opening were advanced before that date, we would be dealing with a very large number of subjects without the real basic facts upon which to go.

I do not think anyone is anxious at this session to get into some of the very heavy estimates when we can deal with them at length later. On the other hand, I do not want to underestimate the importance of the so-called Department of the Prime Minister. But it does seem to me that we can get some of these matters cleaned up to relieve the pressure of work in the spring.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I add a word on this? It seems to me that the hon. Prime Minister has not addressed himself to one of the main points in the observations of the hon. leader of the Opposition, and that point I would like to support. Obviously there is no argument in the proposition that if we have a gap in our agenda we deal with some estimates. But one of the main points in the plea of the hon. leader of the Opposition was that we have a major item on the agenda, an adjourned debate on unemployment, which the government apparently is not going to recall. If the hon. Prime Minister is going to recall it, why is he filling up the agenda? It seems to me that he has a choice between the estimates now, which could logically be left and dealt with closer to the budget, or the discussion on unemployment.

If he is calling the discussion on the estimates, this means he has no intention of calling the discussion on unemployment until it is even deadlier than it is now. This, Mr. Speaker, I want to protest, because this government is doing again this year what it did last year.

If it has a hot issue like the unemployment

issue, which we had focused in Elliot Lake, and it is put on the order paper and we are permitted little or no debate, then the thing dies on the order paper. It withers on the vine.

If I may borrow a phrase from the hon. Prime Minister, this is making a lot of political mileage out of an issue, but it is not dealing with the issue.

I would suggest, in support of the plea of the hon. leader of the Opposition, that if the government intends to discuss unemployment, now is the time to discuss it in an orderly fashion on the basis of a resolution which the hon. Prime Minister had put on the order paper. Then we will not be led to believe that he put it on the order paper as a red herring to permit an hour's discussion and then let the thing die like a damp squid for the rest of the time.

Hon. Mr. Frost: Mr. Speaker, I rather agree with what the hon. member has said, if he would leave off the adjectives and the descriptions and the heat with which he has presented it, for this reason: I intend to deal with the resolution on unemployment.

Mr. MacDonald: When? A week from Saturday?

Hon. Mr. Frost: No, no. I will arrange with the House that I will call it at the beginning of the week. I had planned to call it on Thursday, but there are several other important matters in the estimates of The Department of Energy Resources which again provide subjects upon which the hon. members opposite and all of us have had views at times.

I can assure the hon. member, regarding the resolution on unemployment, that it will be dealt with finally before we adjourn at the end of next week, which should be satisfactory to the hon. member.

Mr. MacDonald: Mr. Speaker, I owe the hon. Prime Minister an apology. I have delved deeply into something which I now discover he was planning to do all the time.

Hon. Mr. Frost: I cannot follow the devious workings of the hon. member's mind. I am a simple person myself and I find it difficult to follow the workings of his mind. But, apparently, we are now on common ground, finally we have reached that point.

I must say that I am also unable to follow the workings of the mind of the hon. leader of the Opposition. I would like to be able to follow his reasoning.

Are the orders of the day called?

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to raise something, in all seriousness, in relation to something we were discussing a moment ago. I would like to direct this to the hon. Prime Minister.

He knows—and every hon. member in this House knows—that there is another matter of serious concern to all hon. members, and that is the resumption, if you will, of the Eastview debate. I raise this in all seriousness. I would like to know now whether this government intends to take any further action and when the hon. Minister of Municipal Affairs (Mr. Warrender) will make his explanation. These are things of concern to us.

I am not anxious just to play politics on this, but I honestly think it is a serious matter and I intend to treat it as such. I am quite prepared to extend to the hon. Minister every opportunity for explanation, but, likewise, I intend to exercise my responsibility and pursue it. I do not want this session adjourned without full opportunity to pursue this serious matter.

Hon. Mr. Frost: Mr. Speaker, I have the order paper here. I was away a couple of days last week and it may be there was an item placed on the order paper about the so-called Eastview debate, but I have not been able to find it.

The hon. Minister will speak, I assume, in the Throne debate or in one of the debates of this House, and he will deal with it then, I think, to the entire satisfaction of the hon. members opposite. I hope to obtain the unanimous endorsement of the hon. members opposite for the hon. Minister's fine efforts. I would like to deal with that as soon as possible, but the hon. members want to deal with everything at one time and that is a little difficult to arrange.

Mr. Speaker: Orders of the day.

THE PORTABLE PENSIONS ACT, 1960-1961

Mr. K. Bryden moves second reading of Bill No. 16, "An Act to provide for portable pensions."

He said: Mr. Speaker, in rising to speak in support of this bill which is on the order paper and which is intitled The Portable Pensions Act, 1960-1961, I would like to refer to the fact that there is a growing interest among almost all citizens of Canada in pensions, and quite properly so. At the present time, we have nationally a basic pension of

\$55 a month. At the very best, one can regard that as a rock-bottom minimum, something to keep body and soul together when a person reaches retirement age. It is not sufficient to live on in any decency, and any person, therefore, who takes thought for the future will naturally be concerned about ways and means of supplementing it.

My submission, Mr. Speaker, is that the proper solution to the pension problem is a national contributory old age pension. I think we should revise our whole pension system in Canada so that the present \$55 pension would be regarded as nothing more than a basic minimum. In fact, I would like to see the basic minimum increased to about \$75 a month, but the present pension should be regarded only as a basic minimum.

We should in addition have a national contributory plan whereby people could, through contributions from themselves and their employers, accumulate pension rights which, upon retirement, would give them approximately 50 per cent of their income. That I think is the sort of objective we should be striving for in Canada in this day and age. In cases of employed persons, such a plan should be financed by employer-employee contributions. In the case of self-employed persons, it would be proper and appropriate for the government to step in and compensate for the fact that there are no employer contributions.

Now that type of plan was a matter which engaged the interest of the present federal government to a very great degree—according to their own statements—in the interval between the 1957 and 1958 federal elections. The federal government professed very great interest in plans of this kind at that time, but then, after having obtained an overwhelming majority in the House of Commons in 1958, their interest has perceptibly waned to the degree where it has become imperceptible.

I do not know if they have abandoned the idea altogether but, certainly, they show very, very little interest in it. Perhaps when another federal election comes along, we may see some renewed interest on the part of the federal government in this matter. For the present, it appears they intend to do nothing whatsoever about it.

I would like to submit, Mr. Speaker, that if the federal government is not prepared to act on a national pension programme in the reasonably near future, the government of this province and the Legislature of this province should give consideration to establishing such a plan on a province-wide basis.

I agree it would be better to have it

nationally, but since we are not to get such a plan nationally, I think it would be desirable for us to go ahead in the province of Ontario. I think it is quite feasible to establish such a pension plan in this province, and I am convinced that it is only through a universal government-administered pension plan that we will provide adequate old-age security for all our citizens.

That, Mr. Speaker, is by way of background, outlining some broad principles which I think serve as objectives to which we might strive. Let me state now that the bill which I have placed before the House, and which is now up for second reading, is much less ambitious than the universal pension plan I have talked about and which would necessarily be a government pension plan.

I have dealt in this bill with a much smaller issue. I have found, when you are dealing with Tories, it is not wise to give them too much at one time. Therefore I have taken a very small aspect of the problem, and have introduced a bill to deal with that small aspect.

In a situation where employees or others are not covered by pension plans, this bill does not provide that they will get pensions.

It merely provides that, in situations where pension plans are already in effect by private arrangement between an employer and a union or on some other basis, they will provide for portable pensions.

The basic principle of my bill, Mr. Speaker, is set forth in section 2. All the other sections of the bill are supplementary provisions, designed to make the principle operative.

I propose, in section 2, that pensions in this province will be made portable through the operation of 3 main principles. These 3 principles are related.

In clause 1 of subsection 1 of section 2, I propose that all pension plans in effect in the province by private arrangement must provide for early eligibility. As the clause actually reads, it proposes that every plan must provide that an employee will be eligible for coverage not later than one year after the commencement of his employment.

The second principle enunciated is that in all pension plans there must be provision for 100 per cent vesting. In other words, any contributions made by or on behalf of the employee, either by himself or by his employer, will be fully vested in him the minute he is covered by the plan—and, as I said, he must be covered by the plan not less than one year after the commencement of his employment.

This is the crux of the whole matter of portability of pensions.

I am not suggesting that it is a simple problem—there are many complications in working it out in detail—but the essential principle of portability of pensions is quite simple.

If the employee's pension rights are vested in him, 100 per cent, the minute he comes under the plan, then, however you may work out the details, that pension is portable; he can carry the rights with him wherever he goes.

The government has a committee that is looking into this matter, and I understand from a press report that, sooner or later, it hopes to introduce legislation on this important subject.

There is no use trying to evade the issue. It does not matter whether legislation is brought in this year, or next year, or the year after; if it is going to provide for portability of pensions, it must provide for full vesting.

I know there is resistance to that concept. Employers very rarely have provided for full vesting in any pension plan they have put into effect, even when they have put them into effect by negotiation with unions. Most pension plans that are in effect now provide for no vesting for the first 10 years, and very few of them provide for complete vesting before 20 years.

This means, of course, that an employee could work for 10 years, ostensibly covered by a pension plan, but if he is laid off, or fired, or leaves his employment for any reason whatsoever, he ends up with no pension at all. He could work up to 20 years and not get the full rights which he had been accumulating during the period of his employment.

There are two reasons why employers prefer this particular type of situation. First of all, it costs less to provide what appears to be the same amount of pension because, in actual fact, no pension is provided for a large number of employees.

I can appreciate the view of any employer who wants to reduce costs, but, on the other hand, Mr. Speaker, looking at it from the public point of view, I think that we should also be concerned about the justice of the situation.

I submit that it is unjust that there should not be a pension plan in effect under which an employer is making contributions ostensibly on behalf of an employee, yet that employee never receives any benefit of those contributions.

What actually happens is that the benefits are transferred to some other employee, or the employer gets the money back, and has not in fact made a true contribution to the plan.

If one reads the text of settlements that are often made in employee-employer bargaining and they include pension plans, as many of them invariably do, the employer usually announces the settlement as an increase measured in hourly terms including fringe benefits. Almost invariably, in the figure that is announced as being the term of settlement, there is included an amount contributed for pensions. In other words, where the employees get a 10 cents an hour actual increase in wages plus a pension plan which the employer values at an additional 5 cents an hour he announces that there is a settlement of 15 cents an hour.

That is a false statement. Under most of these plans a great many of the employees never get that 5 cents an hour, unless they hang around for 10, 15, or 20 years.

I submit that it is unjust, that it is undesirable from a public point of view, and that we, the Legislature of the province, should not permit it to happen.

The other reason why employers prefer not to have full and immediate vesting is that, with partial vesting, some employees tend to be frozen to their jobs. Or, at any rate, so it is often thought, I am not absolutely sure if that is true in all cases, but no doubt it is true of employees who have been in a job for a number of years and who are within a year or two of getting some pension benefits. I am not criticizing any employer for trying to devise ways and means of holding employees, especially those he considers to be good employees.

But, again, from the point of view of the public interest, I submit, Mr. Speaker, that it is undesirable to reduce mobility of labour in that way. I am certain that mobility of labour is an important factor in the economic well-being of the country.

Now that there are a large number of private pension plans, applying to quite a substantial number of working people, I believe it is the duty of the Legislature to step in, in the public interest, and say that where any employer agrees through collective bargaining or otherwise to set up a pension plan, that pension plan must be fully vested. Furthermore, where such plans are already in effect there must be provision for full vesting within a reasonable period.

In my bill it is suggested that this requirement should be complied with within one year. I am not particularly wedded to that

period of time, but certainly some reasonable time should be set in which full vesting should be provided.

The third principle set forth in my bill is that the rights vested in an employee should be made available to him upon the termination of his employment—not in cash, but in the form of an annuity.

The wording of my clauses 3 and 4 under subsection (1) of section 2 may not be quite clear, and, perhaps, should be elaborated on.

What I have in mind when I state that the rights vested in an employee shall be available to him in a pension starting immediately or at some specified date in the future, is that he should get his pension upon retirement, whatever age that may be.

On looking over those clauses, I have come to the conclusion that they are perhaps a little obscure as they now stand. I can assure you, Mr. Speaker, that when this bill gets into committee I will be happy to submit revised wordings of those two clauses to clear up any possible misunderstanding that may arise.

Mr. J. J. Wintermeyer (Leader of the Opposition): The hon. member is an optimist.

Mr. K. Bryden (Woodbine): Well, one has to be an optimist. In this Tory night, one always is optimistic that day will sometime dawn.

Mr. Speaker, in the bill I have presented to this House, I have come out solidly in favour of what is sometimes referred to as the cold-storage principle of providing for vesting, as against the transfer of value principle. I think those are the terms that are used in some of the learned documents presented to us at the last session.

I favour that principle for two reasons: My first is because I think it is administratively less complex and my second reason is because I think it is more fair.

If a man works in a plant in which there is a pension arrangement, and he works there for 5 years, he will get pension rights amounting to 5 years—payable to him upon retirement. If he goes to another plant and works there 10 years, he will get pension rights which will again be given to him in the form of an annuity which he can cash in upon retirement.

In the course of his working life, it is possible that he could work for 5 or 6 different employers, so he would have 5 or 6 different annuity contracts.

Mr. R. M. Whicher (Bruce): Some people might change their jobs 20 times.

Mr. Bryden: The hon. member for Bruce points out that some people might change their jobs 20 times. If they were always working in plants where pension plans were in effect, they would have 20 contracts, and on retirement they would get 20 cheques.

I am not certain that there could not be a way of consolidating those cheques. But whether there could or not, I do not think the fellow would mind very much if he got 20 cheques for, say, \$10 apiece. He would be very happy to cash every one of them.

It is more common, I think, that a man might have 3, 4 or 5 cheques, and I am sure that he would not mind the inconvenience of signing his name 3, 4 or 5 times every month in order to get a proper pension.

The other possible way, of course, is to provide for some sort of transfer system whereby, when an employee leaves one job where there is a pension plan and goes to work for some other employer who also has a pension plan, the value he accrued in the first plan would be transferred to the second. Now I would not rule that out absolutely, but there certainly are, as I see it, some very serious difficulties in it, Mr. Speaker, and the most serious difficulty is that, if the second plan is less favourable than the first, the fact that the money contributed on behalf of the employee to the first plan was transferred to the second might result in loss of benefits to that employee.

I therefore think that any legislation that is brought in here should not accept the transfer of value principle except as an alternative method to be used in a situation where the superintendent of insurance, or some other impartial person is satisfied that the employee does not lose benefits as a result.

This bill is not perfect in every detail. The subject is a complicated one, and if I had really thought this bill was going to pass, I probably would have made it somewhat longer. There are some details I would have tried to spell out.

But I was of the opinion that that was probably a waste of time, so instead, I have tried to put forth, as clearly as possible, only the basic principles involved.

I think the plan outlined is a sound one, and I think it can be put into operation.

The government has a committee studying this matter which, I had hoped, would be prepared to bring in legislation on the subject during this session.

I was disappointed to learn, through the press, that the hon. Prime Minister (Mr. Frost)

does not think that it is possible to bring anything in before the 1961-1962 session at the earliest.

I really think that he ought to get his committee working in high gear, and let us have something next February. I agree that in a complex matter of this kind, study is desirable; but you can study a thing to death, and study can be an excuse for inaction. You can even study to the point where you do not know where you are going yourself.

I do not think any hon. member in this House disagrees with the principle of portable pensions—if there is, I have no doubt he will stand up and express himself during this debate. So, if we agree on the principle, and if we can see the main lines of direction for putting that principle into effect, let us get some people really working on this, now.

I see no reason why legislation could not be brought in during the second portion of the current session of the Legislature.

I think legislation of this kind is badly needed, is overdue; and I would urge the government to reconsider its programme with a view to acting immediately. I say this although I realize that they are not likely to adopt my bill; but I would have no complaints at them failing to vote upon, or adopt my bill if I had a clear assurance that we were going to get a government bill before us in the reasonably near future.

Some hon. members: Hear, hear.

Mr. Wintermeyer: Mr. Speaker, it is a pleasure for me to take part in this particular debate. I agree with the observations of the hon. member for Woodbine. I am of the same opinion that he is, that there is not an hon. member in this House who does not agree with the principle of the bill.

I am not going to attempt to criticize the bill in its mechanics; I think the hon. member has very honestly pointed out that there are mechanical difficulties, some of which are inherent even in the bill he has presented.

I think that he accurately demonstrated that the essence of portability is in the determination of vestiture—or vesting, as they talk in the trade.

Mr. Speaker, I am going to take very little time with this matter. The hon. members of my party have supported portability of pensions for a long while. It has become an inherent part of our programme, and it will continue to be so.

But I would say this, Mr. Speaker: All

3 parties represented in this particular Legislature are in favour of portable pensions. I ask you to use your influence, and I beg all the hon. members here to use their individual influence, to avoid any political football. That study is necessary, we all agree; that study is required immediately, we all agree; but I would hope, now that the merits of this particular bit of social legislation have come to the fore, that the government will not postpone the implementation of portable pensions until the time of the next general election, and make an issue of it. That would not be fair to the public.

Mr. Speaker, we have an opportunity now to get together—and I say for my part, and for my party, that we will co-operate with anybody, now and in the immediate future, to bring early legislation into fruition. It is our responsibility, now that all parties are agreed, now that there is no difference of opinion in principle, and now that there is agreement on all sides that there are mechanical problems which I am not going to try to either magnify or minimize. But here is an opportunity, Mr. Speaker, to demonstrate a little bit of statemanship, a little bit of the thing we constantly talk about glibly.

Here is a legislative body that can do something for the people of Ontario, and I do not think this is a fight between management and labour. My observation is that management is all for it; I do not think they are going to ask for anything but equitability. There are mechanical problems, of course. I acknowledge this. They must be met, and can be met immediately. From people I have talked to, particularly in the insurance field, I have learned that there are a number of ways of tackling this problem.

It may well be that the way of tackling the problem is the way which is outlined in the bill—that is, to determine that all premium payments will vest after one year. That is a very sensible approach to the solution of this problem.

Others have suggested that this particular approach is weak to the extent that some contributions at the present time provide for straight-line contributions, and others a so-called sliding scale, so that in effect you would be favouring one group over another. Well, that is a mechanical problem, Mr. Speaker, that can be worked out, I am confident. I am going to make a simple, direct appeal to the intellectual honesty of every hon. member here.

What matters is that here we have an opportunity to do something, to do it

promptly and effectively, for the benefit of all of us.

If the government wants to take credit in the course of the next year for its implementation—fine. I have no objection to that.

Please, Mr. Speaker, I beg of the government that it refrain from the normal, natural political temptation to use this as an issue in the next general election. There is no need for it.

We are agreed that implementation can come after reasonable study, and a reasonable study can commence now.

The Department of Economics has had this matter under its care for a year. It has done what it can do, I am sure. Now what is required is the advice and the information of persons interested in the implementation—the insurance industry, the representation from industry and from labour—to work out the mechanics.

That can be done in short order, and my simple plea, naive as it may be, is that we refrain from partisanship for the benefit of all.

I think it would be a great demonstration of the political honesty of the hon. members of this Legislature, and of integrity in Ontario, if we could move forward quickly and effectively.

That, Mr. Speaker, is my plea.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, first of all I want to say that a full opportunity will be given to the hon. members of this House to discuss this matter, a greater opportunity than is available in a case such as this where we are trying out a principle of allowing hon. members to introduce certain bills to provoke discussion. In this they may be more earnest in their efforts to obtain enactment than the hon. member for Woodbine has confessed in this particular instance.

Mr. Bryden: The hon. Prime Minister told us he was not going to let us have a vote on it.

Hon. Mr. Frost: I did not say anything of the sort. But I want to say this, sir, that I am quite anxious to accede to what he has suggested. As a matter of fact, I am one of those who never like to play politics, and I point out to the hon. leader of the Opposition that it is a relief to have a suggestion of that sort, to which I readily accede.

May I deal with this bill first of all and say that if this difficult matter were as simple as the hon. member for Woodbine indicated at the outset of his remarks, I would have

supported it at once. I think all hon. members of the House would.

But it is not as simple as that. The hon. member himself confessed, after saying it was a simple solution which might be enacted, that it was in fact far from perfect in detail. To say it is not perfect in detail, I would point out, is a great understatement.

In section No. 2, which is really the important section of this bill, the hon. member refers to the justice of the situation. That is an element, I think, not limited to the hon. member for Woodbine. It is not limited to one party or one individual hon. member here. We all want justice for both the employer and employee. There are very many cases in Ontario, sir—in order to provide for stability of employment, security of employees and so on—where the employers are paying the full cost of plans. As a matter of fact, some of them were introduced years ago in ridings that are represented by the hon. members opposite. The plans were never the subject of negotiations. The employers did that for the purposes of providing stability in their own area.

I would refer the hon. member for Woodbine to one statement he made which I think is derogatory of long-term employees. I hardly think it is fair to say that if an employee hangs around long enough he will get the pension. That is entirely the wrong attitude. We should encourage the long-term employee.

Sir, there are very many matters that can enter into this situation and make a just and equitable solution extremely difficult. There are, of course, very many cases where an employee may have paid into a fund for a number of years. The employer has also done so. Perhaps it is possible for the employee to obtain employment in another industry that has no plan whatever, though he is able to get higher wages in that industry for the time being. But there is not much justice to the situation in asking the first employer to provide a pension in another industry. That is just one of the almost limitless facets to this problem.

In Ontario I believe we are very much ahead of the other provinces. I might also say to the hon. members opposite that at the Premiers' conference, held last week, several provincial Premiers—some of them from the west—showed very great interest in our work on portable pensions. They asked us to advise them of our findings.

Throughout Canada there is very great interest in this immensely complicated subject. It is a subject of very great importance

for the basic reason that it is difficult for people of 45 years of age to find employment. When you look at the course of history and the course of providing pension plans, as has been done in the last 25 years to an increasing extent, it was never anticipated until fairly recently that we would run into the difficulty we are running into now at the other end of the cycle, as it were. I think it extremely desirable that we here in Canada should attempt objectively to solve the problem.

As the hon. member for Woodbine said, it would be desirable to have a Canadian solution. With that I agree. On the other hand, if that is not possible, let us try for a provincial solution. That is what we are endeavouring to do.

Regarding a Canadian solution, there is a multiplicity of problems across Canada. We also have a multiplicity of problems in this province in relation to this situation, but I think we should see what we can do to bring the matter to a point of understanding and—I agree with the hon. leader of the Opposition—to a point of action if we can do that in whole or in part.

I might describe to hon. members what we have been doing. We have on the committee Professor D. C. McGregor of the University of Toronto, who is a very well-known economist and authority in matters of this sort. We have Professor Charles Hendry, whom I mentioned here last session, who is also an expert on the matter. We have brought into the committee Professor Robert Clark of the University of British Columbia, who I suppose—not only because of his training but also the investigation that he made for the federal authorities—is one of the very outstandingly knowledgeable persons in Canada or elsewhere in connection with portable pensions. Also we have brought in Richard Davies, the director of the Canadian welfare council.

The subject has been carried along—I should not say principally but I think I am right in saying largely—under the direction of Professor McGregor and Mr. Gathercole, who have jointly chaired this small committee. We propose, sir—I think about the end of the year but in any event in lots of time for the continuing session next year—to table and make available to the hon. members of this House and to the public a white paper which will encompass what has been done to date.

I will discuss with the House the proceedings following that, but I had thought the best method of dealing with this, at that time, would be to refer the white paper and

the report to one of the standing committees of this House. This procedure would allow the hon. members of the House to have the most free discussion; not only in question and answer; but in every other way. That should give us the full background of this problem—what has to be met; what has to be done—and after discussion we could recommend to the chairman what other action we should take, whether it should be in the form of a select committee of this House or something of the sort, to deal with these highly complicated but very important matters.

The bill itself, of course—I think the hon. member for Woodbine will agree—is perfectly unworkable the way it is.

Mr. Bryden: It certainly is not. It is just that the hon. Prime Minister does not want to find it workable.

Hon. Mr. Frost: I would ask the hon. member to listen to the hon. leader of the Opposition who, as hon. leader of the Opposition, is in a sense the leader of the Opposition groups. I would ask him to remember the high plane upon which he put this. I am doing my best, and I would ask the hon. leader of the Opposition to keep it on that high plane. I have some difficulties, but I shall endeavour to adhere to this ideal in dealing with this problem.

I think the method I have outlined is the proper one to take.

I welcome the bill of the hon. member for Woodbine because it gives me the opportunity to say these things to the House and to make this report. With that, sir, I think the proper thing to do is to adjourn the debate until such time as the white paper is available.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, before you adjourn the debate, I hope that the hon. Prime Minister will let me read a communication I received in regard to this matter from the council of the city of Windsor. I would like to make the House aware of it. I hope that I am allowed to do that before you adjourn this debate. I fully appreciate what the hon. Prime Minister has said.

Hon. Mr. Frost: Sir, I will postpone that motion if the hon. member wants to read that telegram. On the other hand, it might be more proper to table the telegram and then it would be available.

Mr. Belanger: The letter is not very long so I will just read this to you, Mr. Speaker.

This letter is dated November 21, 1960, addressed to me, and it says:

DEAR SIR:

The following resolution was adopted by council at its meeting held on November 14, 1960:

THAT WHEREAS the chief defects of the pension plan generally in effect in Canada today are that:

(a) great numbers of the working population are not covered by any sort of pension plan, and

(b) many of those who are covered lose a large portion of the benefits through changes in employment without the possibility of carrying built-up pension benefits from one position of employment to another;

AND WHEREAS the result of these defects is that the hard pressed municipalities through welfare assistance must assist those who are retired without adequate pensions or other support;

BE IT RESOLVED THAT this council petition the federal and provincial governments to take every step to remedy these defects by the establishment of a system of social security which would make available contributory portable pensions to all employed persons;

AND BE IT FURTHER RESOLVED THAT other cities of Ontario be asked to endorse this petition.

I hope that this will be considered by the committee and by the people whom the hon. Prime Minister has mentioned. I certainly do not question the people the hon. Prime Minister has selected for this, but I do hope it will be given consideration.

Hon. Mr. Frost: Mr. Speaker, I received a copy of that same telegram. Again, I think, we are all in agreement with the purposes of the telegram. That is what we are endeavouring to deal with.

Sir, I would make the motion to adjourn the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I propose we deal with the 3 estimates that were mentioned yesterday, then follow by going into the Throne debate. Tonight I would like to give consideration to some of the bills in committee on the order paper including the legislative assembly bill. May I say to the hon. member for Grey South (Mr. Oliver) that considerable midnight oil has been

burned on the subject which he raised at the conclusion of the debate, and I hope that we may be able to find an answer.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF THE PRIME MINISTER

Vote 1501 agreed to.

Vote 1502 agreed to.

ESTIMATES, OFFICE OF THE LIEUTENANT-GOVERNOR

Vote 1201 agreed to.

Mr. D. C. MacDonald (York South): Mr. Chairman, is this the appropriate place to ask the hon. Prime Minister what is the status of the new home for the Lieutenant-Governor? I hear vague rumours about changes in the status or some changes in the picture that was related to the House by the hon. Prime Minister a year ago. Are they accurate or are we still about to receive a home for the Lieutenant-Governor a year or so from now?

Hon. L. M. Frost (Prime Minister): I would say to the hon. member that the matter is unchanged from last year. Dr. Samuel presented this house and gave the deed for the house to the province of Ontario. The position is that Dr. Samuel is very old, and an honoured citizen of this province.

Mr. MacDonald: That is right. I tell you, he is a great man. I do not know of any greater Canadian than Dr. Samuel, a wonderful man. That he takes on Metro single-handed raises my estimation of him very greatly. It is a question of David and Goliath. I wish him well.

Hon. Mr. Frost: Dr. Samuel gave his house to the province and there is no reservation in the deed whatever. But he is living in his house as I would hope he would do, as others would hope he would do, until he desires to leave the house himself or until he passes away. I must admit that I would hate to see this fine old gentleman leave his home and feel he was compelled by a sense of duty to do so.

I want to say to the hon. members opposite, two of whom had to do with the depredations

committed in connection with the Government House in Ontario, that with other Premiers I was invited to the Lieutenant-Governor's home in Quebec, Spencerwood—or, as they call it now, Bois de Cologne. I saw there articles collected since the beginnings of the province of Quebec. Some of the other Premiers mentioned the Government Houses in their provinces containing traditions and history going back before Confederation. The Quebec residence goes back into the early days of the nineteenth century.

I could not help thinking how I would like to have my good friend, the hon. member for Brant (Mr. Nixon), with me in looking at the contribution that home makes to the way of life of our French-Canadian compatriots.

There are people who purchased art treasures from the residence which was put under the auction hammer here some 25 years ago. They have offered to give them back to the province, and I hope that the time will come when again we will have a place of residence for the Queen's or King's representative, as the case may be, which will be in keeping with the great people and traditions of this province, and where great objects of history and art can be collected to go with the dignity of our province.

I would say that is Dr. Samuel's idea and purpose and I think all of the hon. members of the House would agree. I certainly hope so, and I hope in the course of time these depredations of other days will be corrected.

Mr. A. J. Reaume (Essex North): Mr. Chairman, I think that is all fine, of course. The hon. Prime Minister seemed to put it on pretty thick. But I was thinking of the problems that he is facing; that he cannot finish highway No. 401 because he has no funds; he cannot build the overpass in Windsor because he has not any funds; he cannot build a public works building in Windsor because he has not any funds, or at least that is his argument. Teachers' colleges and things of equal and grave importance are needed all over the province—and there are 120,000 people out of work—but he cannot institute a public works scheme to put people to work. Yet now he is thinking about taking over a white elephant.

I just want to say this, that it is just typical of his fuzzy thinking. But it really is not a joke.

Hon. Mr. Frost: It has not cost us a cent yet.

Interjections by several hon. members.

Mr. Reaume: Well now look, you office boys over there, just keep quiet for a moment. I do not want to deal now with the small fry. I will come to the hon. members after a while.

But I think it is nearly time the hon. Prime Minister put his thinking cap on. In 1932, there was a great man elected president of the United States. There were some 6 million people out of work and the banks were closed. And I am sorry if I mention the name of that great man in the same breath with the name of the hon. Prime Minister of this province, because I can assure you that there indeed is no comparison at all. It is a crime that I should even be thinking this way.

But I want to tell the hon. Prime Minister something. He is a great man on history and all he has done here for the last while back is to give us speeches on ancient history. If we have a depression or recession, if we have people out of work, he says we are only peddlers of gloom, and that the depression did not start in the last year, it started back in 1952, or Hepburn may have had something to do with it. But he should get his feet out of the mud, get himself on a fast track—ask the hon. member for Huron-Bruce (Mr. Hanna) back there, he will tell the hon. Prime Minister about a fast track—and start thinking in terms of 1960.

Getting back to that great man I was speaking about, in 1932 he was a cripple. But the hon. Prime Minister is a man of sound limb. I said "limb" only, I did not go any further than that. And with this president's great heart, his humane heart, his warm heart, and with his fair mind, and his common sense, he set about right after he was elected to open up those banks, to institute a work scheme and start putting back these people to work who, unfortunately, were unemployed.

Now, our hon. Prime Minister is so interested in ancient history that I have a suggestion I want to make to him.

Read the life story of a great American president, tear a few pages from his book, let him bare his mind of all this fuzzy thinking.

Here we are spending time worrying about taking over an old house. This gentleman admittedly is a very fine man and I think he means well; but we have other worries, like the retarded children problem, and there are many old people who are looking for a home.

This is not a matter of urgency. If we

have no funds to do what we need, if we have no funds to deal with matters of extreme importance, why should we waste any time worrying about patching holes on an old house?

Some hon. members: Hear, hear.

Hon. Mr. Frost: Mr. Chairman, some of my hon. friend's remarks I might take more seriously, some I might even have taken to heart—but they are roughly the same as the great organizer made up in Temiskaming, and they did not pay too much attention to him up there.

Perhaps I should not get myself disturbed and pay too much attention to what he says at the present time.

Mr. Reaume: My dear hon. friend, just a moment please. I want to answer this. The hon. Prime Minister will have a chance about 10.30 or so.

Going back for a moment, the hon. Prime Minister is the one who brought it up. I did not bring it up, but I do not mind speaking about it. It might be well for the hon. Prime Minister, too, if he were to have a meeting with his brains trust and analyze the outcome of those votes up there in that riding and by-election. The strength of our party grew and the majority of the hon. Prime Minister's party dropped.

An hon. member: Oh, no, no.

Mr. Reaume: Oh, yes, the majority dropped.

Hon. Mr. Frost: No, no. Every place the hon. member went, we did—

Mr. Reaume: Just a minute—

Interjections by hon. members.

Mr. Reaume: I had the greatest laugh I ever had in my life as I was driving the streets of Haileybury. The Progressive-Conservatives had headquarters in that area, and it looked for all the world like Johnny Fullerton's mortuary.

On one side they had a picture of the great hon. Prime Minister of the province; on the other side, right next to it, one of the member-elect for Temiskaming (Mr. Hoffman). They had both pictures draped in purple, with a beautiful pot of flowers sitting beside the hon. Prime Minister, and a beautiful pot sitting beside the member-elect—

Hon. Mr. Frost: Now, just a minute. It worked. The hon. member does not know anything about politics.

An hon. member: Look at the results. It worked.

Interjections by hon. members.

Mr. Reaume: And when they had it arranged, the great white father blows into town and gives the people a party. He serves them a little cup of tea, a cookie, and a cracker. Then, of all the days to pave the main street and all around the polling subdivision, was that particular day that we voted.

Let us drop around for a moment to the other act at Simcoe Centre—

Mr. MacDonald: Was that play running in Temiskaming, Mr. Chairman?

Mr. Reaume: Why does the hon. member not stop talking! Because the hon. member's party fell completely out of the picture in that riding. I just want to make this statement—

Interjections by hon. members.

Mr. Reaume: I just want to make the statement that the hon. Prime Minister should put hon. CCF members on his payroll because the greatest help he got in both of those ridings came from those hon. members. The total results show that Simcoe Centre, that great old Tory riding, dropped from a majority of 2,100 down to 500 and something. Now, that is an indication—

An hon. member: Was that in Temiskaming?

Mr. Reaume: Now, I was in both ridings. But I think that the hon. members have to admit—

Mr. K. Bryden (Woodbine): The hon. member about lost his shirt—

Mr. Reaume: But I think that hon. members have to admit—Well, what did the hon. member for Woodbine lose?

Listen; there are more fleas on the top of a mangy dog's back than the votes his party got in either riding.

The way they holler about it—What are they hollering about? Peterborough? That was a federal election; now we are talking about the province.

Hon. G. C. Wardrope (Minister of Reform Institutions): May I ask—

Mr. Chairman: Will the hon. member please get back to—

Mr. Reaume: Mr. Chairman, I did not bring up the matter of the by-elections. I just wanted to bring these things to your attention.

Hon. Mr. Wardrope: Might I just say a word on this subject? I have listened to the hon. member for Essex North make derogatory remarks about our hon. Prime Minister. I wanted to ask the hon. leader of the Opposition if all his hon. members over on that side felt that way towards our hon. Prime Minister? Do they all feel they can agree to the remarks of the hon. member for Essex North about our hon. Prime Minister?

Here is a strange thing, Mr. Chairman, if that is the collective thinking of the Opposition. I have a piece that I clipped out of the *Port Arthur News-Chronicle* under date of October 7. I would like to read it to the hon. leader of the Opposition because I have just heard such derogatory remarks as those coming from the hon. member for Essex North. This is an authentic press report and it says this:

EVEN LIBERALS LIKE FROST

I can now see why the people have been returning Premier Frost to the government for such a long time. With his dynamic leadership and the inspiration he has given us here tonight, he is likely to remain for a long time—

Interjections by hon. members.

Hon. Mr. Wardrope: Wait a minute, my hon. friends in opposition. I continue:

This was the reply speech of thanks to the speech by Progressive-Conservative Prime Minister Leslie Frost to the north-western Ontario municipal association Thursday night at the Royal Edward hotel, Fort William.

And here is the punch line:

The thank-you reply was given by Liberal John Chapple, MPP, Fort William—

I would just like to say to the hon. members of the Opposition that that reply of the hon. member for Fort William is apparently the collective thinking of all hon. members over there in the Opposition. I will tell them this, that they are 100 per cent correct because every hon. member on this side of

the House feels the same way about the hon. Prime Minister of this great province.

Mr. J. Chapple (Fort William): This is very interesting because the hon. Minister has not mentioned one particular fact; that after I made that statement, I said, "I am very sorry, ladies and gentlemen, I have been carried away as if George Wardrope were doing this." I did admit I made a mistake and I am very sorry but I really did not mean what I said.

Mr. R. Whicher (Bruce): I will say he is an expert on unemployment, he has enough of it!

ESTIMATES, PROVINCIAL AUDITOR

Hon. J. N. Allan (Provincial Treasurer): Mr. Chairman, the estimates of the Provincial Auditor may be considered by many to be routine for the reason that the greater part of the money to be voted is for salaries. However, I would like to point out to this House that the Provincial Auditor (Mr. Cotnam) is a person of very great importance to this Legislature, particularly in his responsibility as an individual.

I think the hon. members would agree that the Provincial Auditor of this province needs to be a man of undoubted integrity and, in addition, he should be an auditor of outstanding ability and also be capable of setting up an organization capable of adequately auditing the financial operations of this government.

Now, it has seemed to me that the Auditor, the man who occupies this position now, is such a man. And when I was thinking about saying a word of appreciation I came across a letter that was written on February 14, 1938, and it seemed to me the hon. members of this House would be interested in hearing it read. The letter was written to hon. M. F. Hepburn, Prime Minister and Provincial Treasurer, Parliament Buildings. I quote:

DEAR MR. HEPBURN:

I have been discussing with Mr. Walters the question of my resigning my position because of the condition of my health and being greatly concerned as to the future of the department with which I have been connected for over 40 years, I take the liberty of writing you with regard to my successor.

I wish to bring to your attention my assistant, Mr. H. A. Cotnam, who is a chartered accountant and a Bachelor of Commerce, and who has qualifications beyond these academic ornaments. He is

zealous for the service and above all he is loyal to his position and to those in authority over him. The staff respects him and serves him cheerfully. And I respect him and am grateful to him for the way he has supported me. He is in every way eminently fitted for the position of Provincial Auditor and as one of the severing acts of my 40 years of service, I write this letter recommending him for appointment to the position which I shall shortly vacate.

I have discussed this matter with your controller of finances, Mr. C. S. Walters, who will support and add to my recommendation.

Assuring you of my true personal regard and my very best wishes, believe me,

Yours very sincerely,

(signed)

G. A. BROWN, Provincial Auditor.

That was 22 years ago. And in reading this appraisal of our Provincial Auditor, Mr. Harvey Cotnam, I am reading the verdict of one who died shortly after with 40 years of service to our province. So it is indeed a voice from the past, more eloquent than anything I can say about the capabilities of Mr. Cotnam. It is borne out by the experience of more than 22 years which have elapsed.

During that period he has not been the servant of the government, he has been by statute the servant of this Legislature.

In his independent position he represents this Legislature and the people. Indeed, he stands over the government. And although I have been Provincial Treasurer for less than 3 years, I want to acknowledge the correctness of the late Mr. Brown's appraisal and Mr. Hepburn's acceptance of it. And I would like to add my own experience. I have found an unswerving loyalty to truth, the faithfulness to duty transcending any other association, and a justice and impartiality which is a tribute not only to the man but to the people of this province whom he serves.

Mr. Cotnam has been a sound advisor to me, truly he never hesitates to disagree with my judgment when he finds it necessary. However, I consider I am most fortunate to be able to look to one with his character for advice and guidance.

And I may say when offered other appointments, and this has been the case, he has always said in his modest way that he prefers to be a good Provincial Auditor. I would like to say this afternoon that no auditor of any province, of any government in Canada,

could surpass him. Indeed he is the best Provincial Auditor.

I would like to associate with him his very able deputy, Mr. George Spence, and all of those to whom I should like to refer personally who are associated with this great work which is being carried on continuously every day in the interest of the government and the people of this province.

It is a wonderful source of satisfaction to be able to feel always that we have such a competent person and such a competent staff in The Provincial Auditor's Department. It gives me very great pleasure and the utmost satisfaction to work with Mr. Cotnam and his staff.

Mr. J. J. Wintermeyer (Leader of the Opposition): With the remarks of the hon. Provincial Treasurer I enthusiastically agree. It has been my pleasure, Mr. Chairman, to have the occasion to inquire about many things, particularly when I first became a member of this Legislature, both of Mr. Cotnam and Mr. Spence. I found them to be very honourable gentlemen, very knowledgeable gentlemen, very loyal gentlemen. And, Mr. Chairman, I assure you, in spite of my brief remarks, that I want this House to know that I concur entirely with the observations of the hon. Provincial Treasurer and I think that in these men we have ideal servants of the province of Ontario who have given of their time generously, and have been of great assistance to this Legislature and the people.

There are, however, a few remarks that I would like to make at this time related to the position of Provincial Auditor. The hon. members may recall that a year ago I raised the point as to whether or not the Provincial Auditor was effectively independent and I am confident that he is. Then I asked whether or not the hon. members of this House should have free access to the Provincial Auditor; whether in fact he could be or should be an advisor to all hon. members of the House. I would hope that eventually his position will evolve into exactly that.

I would question whether or not he should be in any way under the jurisdiction of the hon. Provincial Treasurer. I would wonder whether it wise that he should be—

Hon. L. M. Frost (Prime Minister): We have to have the estimates somewhere.

Mr. Wintermeyer: That is true, they must be some place. With that, I agree. But, Mr. Chairman, the elementary point I am

making is the point that was made in the Royal commission, and that is that this is the one institution we have in government in Ontario where members of Opposition can go to a facility of government to make inquiries and gather information.

I am not making this request as a result of any consultation whatever with Mr. Cotnam. But it would seem to me that Mr. Cotnam is at the present time under certain disability, under certain reticence. I think he should be stripped of any concern whatsoever. I think he should be perfectly free to give the Opposition any information it wants at any time. I think this should be thoroughly, honestly and wholesomely understood by all so that there is no reticence on our part about approaching this department for information and advice.

My understanding of the Provincial Auditor is that he should be a watchdog over the Treasury, a watchdog over all financial affairs, that he is no more the servant of government than he is of Opposition, and that the opportunity be available to us at all times to consult him. My experience has been that one of the defects in our parliamentary system here in Ontario is the weakness of the opportunity of Opposition to gather information. We really have no facility, and we should have, for better government.

I am not making this as a personal plea but as an objective plea. I think better government will be served more effectively in Ontario only when the Opposition is afforded more facility for research, investigation and the accumulation of information applicable to the administration of the government.

The second point I want to make, Mr. Chairman, is this, that a year ago we asked whether or not such departments and commissions as Niagara parks, as I recall, and the Ontario hospital insurance, workmen's compensation, Ontario water resources and the international bridge have come under the jurisdiction of the Provincial Auditor.

You will recall, sir, that it was our plea that all commissions be audited by the Provincial Auditor. I would ask the hon. Prime Minister at this stage whether or not that request has been implemented.

Hon. Mr. Frost: Mr. Chairman, might I say something to the hon. leader of the Opposition about the first part of his question—about the Provincial Auditor and his capacity to advise members of the House; to advise the Opposition, to advise the government.

It would be unfair to drag the Provincial Auditor into the position where he becomes a figure in controversy. We have, in recent years, left the Provincial Auditor completely independent—not a member, for instance, of the Treasury board, not a member of any board or committee, but as a servant of the Legislature.

If he finds the government is doing something with which he disagrees, he must be in a position to rap the government over the knuckles. That is the duty of a Provincial Auditor and that is the position in which he should be. When the hon. Provincial Treasurer refers to the advice, and he refers to the Auditor, it is in that sense.

We have endeavoured to assist the hon. leader of the Opposition in his problem. We pay for a research man to help in those things. I think that is the proper way for Opposition members to be assisted. We have come a very long way from the days when the Opposition was given \$1,000 with which to do all business. That was a few years back. We have gone a long way in providing staff and research people.

If hon. members of the House could go to the Provincial Auditor to ask for this, that, and the other, before long they would drag the Auditor completely into politics. That is not the idea of the hon. leader of the Opposition.

We endeavour to have the Provincial Auditor disassociated from any responsibility for the executive work of the government, other than that he is there to keep the departments straight, and to criticize practices, if the procedures are not being followed as they should.

I think the answer, to what the hon. leader of the Opposition is raising, is that if his research facilities are not great enough and strong enough, let us have another look at them. It is only a short time ago since I did that with the hon. leader of the Opposition, and I thought then that he had found that the facilities were a lot better than they had previously been, and perhaps were approaching something in the form of adequacy.

One never attains perfection in these matters. That is one of the great problems of government.

If we had a perfect organization, that would be a very wonderful thing. But, in these days of great change and alteration, it is difficult, if not impossible, to attain that. If the Opposition here, say 20 years ago or 15 years ago, had had the organization

that he has now, then it would have been counted as being perfection to the *nth* degree.

It may not be perfect today, and I am quite prepared to discuss that with the hon. leader of the Opposition. I am anxious that the accommodations and the facilities of the Opposition should be as perfect as possible.

Mr. D. C. MacDonald (York South): Mr. Chairman, before the hon. Provincial Treasurer replies to the second portion of the remarks of the hon. leader of the Opposition, I wonder if I may comment, because it was the sole point that I was going to raise before we considered these estimates.

I would judge that the specific answer to the question that the hon. leader of the Opposition has raised is that the hon. Prime Minister is not, at least immediately this year, planning to expand the staff to include auditing of these other government agencies, because I note that the salary item has gone up from \$404,000 to \$419,000, which I would guess no more than covers normal salary increases during one year.

I would like to add my plea that the staff of the Provincial Auditor be expanded to include all agencies with the possible exception of Hydro. I set Hydro aside for the moment; perhaps it is worthy of consideration by itself.

I know that this is a matter that the select committee on government reorganization, which both the hon. Provincial Treasurer and myself happen to be on, is considering; but I would draw to his attention that on some occasions the government has anticipated the decision of the select committee and has done something, and I would like to put this item into that category.

I would like to see the government move on it, before we consider it any further, for this reason: the man who really put his finger on the principle involved, and did so in his characteristically forthright manner, was Watson Sellar when he was before the committee.

The chairman of our committee, the hon. Attorney-General (Mr. Roberts), in discussing the position of the Niagara parks commission—and I take it that is just one of those that is beyond the jurisdiction of the Provincial Auditor—said to Mr. Sellar, in effect: “Are you suggesting that because this was done by an outside auditing firm that it will not get as completely a reliable audit as you would get from a provincial auditor? Surely you would not suggest this,” the hon. Attorney-General argued, “because, after all, these firms are duly licenced,” and so on.

Watson Sellar did not bat an eyelash on the issue. He said: “I am suggesting this”—and the point he made was that if a firm is doing a job for the Niagara parks commission, the Niagara parks commission is their client, and they would be something more than human if they did not want to please the Niagara parks commission.

Let me put it in terms no stronger than this.

The possibility is that they will not do as fearless an audit as should be done on public auditing of an agency such as the Niagara parks commission. Watson Sellar, from his almost incomparable wealth of experience in this field, clearly suggested that all of these agencies should be brought under the Provincial Auditor.

I think the case is so conclusive that I am a little puzzled as to why the government has not moved on it. Maybe this is just another item which, when I dig, I discover they have decided to move, and that the hon. Provincial Treasurer is going to announce it when he rises.

Hon. Mr. Allan: Mr. Chairman, I may say to the hon. members that the Provincial Treasurer is prepared to see that money is provided to carry on these audits, and the amount of money that is being asked for in these estimates was increased because of the possibility of taking on some of these audits. The preliminaries, I may say, are the same as last year, and I can assure the hon. members that we are prepared to take them on.

The Niagara parks commission was mentioned particularly. The year of the Niagara parks commission ended October 31, and if it was decided to have this work done by the Provincial Auditor, it was thought that the matter would be left until the debate on the report of the select committee on government organizations, and that will be before long.

I would like to assure the hon. members opposite that there is no thought of not taking over some of these other organizations.

I might say to the hon. leader of the Opposition that the International Transit Company is presently being audited.

We have taken on two new audits this year—the International Transit Company at Sault Ste. Marie, and the Star Transport Company at Timmins.

Mr. Wintermeyer: Would the hon. Minister tell us what the Star Transport Company is, Mr. Chairman?

Hon. Mr. Allan: The company that was purchased by the Ontario Northland Railway.

An hon. member: How long ago was that?

Mr. H. C. Nixon (Brant): May I ask the hon. Provincial Treasurer if we have yet had the auditor's report for the last fiscal year tabled?

Hon. Mr. Allan: I am informed that it will be ready at the beginning of the session in the new year.

Mr. Nixon: I think there are certain requirements in The Audit Act that this report should be available within so many days after the opening of this session following the close of the fiscal year. I know I have always read this report with a great deal of interest before the estimates have been discussed in the House in the past, and found it of tremendous help and assistance.

My recollection is that it is not only tabled the second day but is in our post office boxes, so that every hon. member has a copy sent him.

Hon. Mr. Allan: Mr. Chairman, I might inform the hon. member for Brant that the Act states that the report of the Auditor shall be delivered to the Lieutenant-Governor-in-council, and laid before the assembly, within 10 days of the first session held in the following calendar year. We are informed by Mr. Cotnam that he will have it ready by that time, and the bulk of the estimates will, of course, be considered after that time.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions, moves the adoption of the report and asks leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. G. W. Parry (Kent West): Mr. Speaker, I will now complete my brief address. I think what I was discussing, at the close last night, had regard to research work.

I want to say to the hon. Minister of Agriculture (Mr. Goodfellow) and this gov-

ernment—I am speaking as a farmer—that the research work done for agriculture has been outstanding for the last 15 years. I want to mention one or two things which have taken place during that time.

We have accomplished much toward the eradication of tuberculosis and brucellosis in livestock. I am going over this quickly; I want to come to seed.

We have improved all seeds and we have changed our methods of farming completely—as is well known to all hon. members here. We have mechanized methods of farming and we have seed today of varieties that lend themselves to our methods of harvesting.

I want to pay a great tribute to our colleges and experimental farms for working to that end. Better seed means better farming.

I want to make just a few further remarks about sugar beets, which I referred to yesterday.

To operate both factories at Chatham and Wallaceburg requires 40,000 acres of beets. Now, 40,000 acres of growing sugar beets take a surplus off the market of some other crops—we have no surplus of sugar—I made that statement yesterday.

I might repeat myself because I am saying everything right off the cuff.

Sugar beets are grown under contract—I might say a participating contract. It works out about 50-50.

This contract is not completed for maybe 6 months because there are by-products that are sold later; it is delayed until maybe July of the fiscal year.

So I still want to make clear that we can operate these factories, provided the companies are going to make a profit and the farmers are going to make a profit; and I hope that this will be brought about by negotiation with both governments.

I want to commend the select committee for their report on transactions of business in this Legislature. I, as a private member, would like to endorse their recommendations in their entirety.

First—limitation of speeches: Reading of speeches and clippings from papers and, I might add, old musty magazines dug out of the ash can are wasting a lot of time in this House.

I hope that we can have this enforced. I would say that right now, if I were over the limit of my time, you could call me to order, Mr. Speaker. I am not inferring that hon. Ministers should not be entitled to have

some more time; I am speaking only as a private member.

Last session, there were some who made speeches for two hours. We would not have to come back here at night if we could limit these speeches; and I think we would have better legislation.

We would have more time to study bills instead of coming back here and amending bills, year after year.

Now then—this is a hot potato—daylight saving time.

In my riding, we have about 20 per cent on standard time and about 80 per cent on daylight saving. I am not trying to force my issue on the hon. members of this House but I would like to see some uniformity.

I suggest we could have the closing of this daylight saving period when children are going back to school. There are single families that have children going to public, high schools and universities. And I know when I come to Toronto a month ahead of time I sometimes wonder whether I am in the right place or not. I am just putting this out as my opinion as a member of this Legislature.

I have been a bit critical in some of my remarks but to qualify that I think the hon. Prime Minister and this government have given the best legislation that we have ever had in the province of Ontario. We are alive; we are going forward. And I hope hon. members opposite get on the wagon with us.

Mr. E. Sopha (Sudbury): I do not know whether the hon. member's invitation to get on the wagon will have wide acceptance in this House. I hope that it will.

Mr. Speaker, may I at the outset take the opportunity to once again commend you, sir, for the very gracious and efficient way in which you conduct the proceedings of this House. It would take up far too much time, sir, were I to, as is the wont of the hon. members who support the government, take the opportunity of commending each and every hon. Minister who has received a promotion. I shall not do that. But perhaps, sir, I may lump them all together by saying that the changes that have taken place in the 36 benches which immediately confront us have, I would think, their advantages and their disadvantages.

The advantages to us are that we can see now all the ministry in one group as well as we can see the minor leaguers who have been moved to the rear row opposite.

I suppose the geographical location of the

relief pitchers, so to speak, in the rear row has a disadvantage for the two first rows when they are conscious, as they must be, of the gigantic checker game that goes on over there; at any moment one of them might leap into one of the seats in front of them. There is always that threat. It has, however, served the advantage of keeping the first two rows on their toes.

I come to the House this year with a great deal of optimism about the future of the area which I have the honour to represent. This year it was announced by the two mining companies which moil in the ground for ore in my area, that in the next 5 years there will be a capital investment in the area of approximately \$100 million. I would think that my area, in that regard, is singularly fortunate indeed to be endowed as it is by a merciful providence with the rich ore that lies beneath the soil.

The International Nickel Company of Canada made two announcements, one of the extension of further open-pit operations in the vicinity of Copper Cliff, amounting to approximately \$26 million and that it would extend the iron ore recovery plant by the investment of a further \$50 million.

Falconbridge Mining Company is a much smaller operation and it followed suit with an announcement that it would invest approximately \$15 million over the next few years to bring the total close to \$100 million.

I am happy to say, in view of this, that a great enthusiasm and optimism has been generated among businessmen and the citizenry in general in the area, and we look forward to an even greater programme of expansion and development.

I might just say a word, sir, about these companies that operate in the Sudbury basin.

Hon. L. M. Frost (Prime Minister): I would ask the hon. member if he would adjourn the debate for a short time. If he would, there is a matter I would like to bring up.

Mr. Sopha moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, I have just learned the very sad news of the sudden death of our former Lieutenant-Governor, the Honourable Louis Breithaupt, and I would like to say a few inadequate things about that very great man. I have informed the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. member for York South (Mr. MacDonald).

Mr. Breithaupt was a great citizen of this province. He started his working life as an industrialist and worked throughout the years in industry. Afterwards his great riding honoured him with his election to the House of Commons. There he represented a constituency which for a number of years was represented by Prime Minister Mackenzie King, a very historic constituency indeed, and an area of Ontario which has made a very mighty contribution to the growth and development of our province.

Now the recollections we have of Mr. Breithaupt here are those, of course, associated with the period when he was Lieutenant-Governor of our province. At that time Mr. Breithaupt—and Mrs. Breithaupt who was an indispensable companion and partner in those duties—graced the office of Lieutenant-Governor for a period of 5 or 6 years. During that time I came to know Mr. Breithaupt intimately. My wife and I had the great privilege of staying with Mr. and Mrs. Breithaupt at various times. I very well remember one happy occasion on the Georgian Bay where the Breithaupts are old residents.

He was a man of fine intellect, a man who had the greatest of knowledge of our province and its ways.

He had a great feeling, as is natural, for his people—who came to this province in the early days under very primitive conditions, travelling from that portion of the United States settled by the Pennsylvania Dutch. They were a great people indeed. They came to this area by covered wagon after the fashion of those immigrants in the early days of the last century.

Mr. Breithaupt was a very kindly, knowledgeable gentleman, one for whom I acquired a great regard—both for himself and his wife. Their interests were very broad but, as a matter of fact, the interests of Louis Breithaupt and his wife were basically connected with the spiritual fundamentals that our people have always recognized in this province. That was apparent in knowing them, apparent in their home in a very great way.

I express the regrets of all of us here in this House, particularly those who knew Mr. Breithaupt. I express the regrets of the people of the province he served so well, so faithfully and so long. I am sure, sir, that the hon. leaders opposite will desire to say something, after which, as a mark of respect I would like to move the adjournment of the House until 8 o'clock tonight.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I would join in the observations of the hon. Prime Minister. He had the good pleasure of working closely with Mr. Breithaupt, particularly during the last few years of his life.

It had been my pleasure for a long while, Mr. Speaker, to know Mr. Breithaupt as a neighbour. He lived directly opposite to me. Even now his home in Kitchener is within a matter of 100 feet, I suppose, of my own.

His family I have known all my life. Mr. Breithaupt in my riding, in my community, was I suppose the most respected citizen. His family is one of the oldest in the district.

He was I believe the youngest mayor of the city of Kitchener. He became mayor at the age of 27 or 28, something of that sort.

As the hon. Prime Minister said, he and his family have served the industrial community for generations now. His sudden death has come as a shock to all of us, and I can only add our concern, our sympathy, as instructed by the hon. Prime Minister.

The family, sir, and particularly Mrs. Breithaupt, will of course suffer the severe loss of their husband and father. I know that he was a wonderful father to his children—an exemplary father. Most of the family live in my community now.

Mr. Speaker, it does not add to my sincerity to make more extended remarks. I join with the condolences and expressions of regret made by the hon. Prime Minister.

We had, in Mr. Breithaupt, a man who served his community and his province and his country, participated to the full in the industrial development of this part of Ontario, and who was, as the hon. Prime Minister said, a great Canadian and an outstanding citizen.

I wholly support the motion of the hon. Prime Minister that, out of respect of the passing of this distinguished citizen of the province, we adjourn this House until 8 o'clock this evening.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to join in the tribute to Mr. Breithaupt.

It was never my pleasure or privilege to have the opportunity of getting to know Mr. Breithaupt personally, in the fashion that has been with his successor in the position of Lieutenant-Governor. But it always seemed to me that he had filled that position, in the

year or two that I was in the Legislature before the end of his term of office, not only with dignity and confidence, but with a lack of ostentation.

I would like to join with the hon. Prime Minister, and the hon. leader of the Opposition, in not only paying tribute to him but in extending condolences to the members of the family who have been bereaved.

Hon. Mr. Frost: Mr. Speaker, as a mark of respect to this great Canadian and a great servant of our province, I move that the House do now recess to reassemble at 8 of the clock tonight.

Motion agreed to.

It being 5.40 of the clock, the House took recess.





Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, December 6, 1960
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 6, 1960

8 O'CLOCK P.M.

The House resumed.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, with your permission, might I express at this time the regrets of the hon. members of the House on the passing of Mr. Arthur Swanson, the first chairman of the Ontario hospital services commission. He passed away yesterday, after a long illness and after much suffering, when he was still active and interested in the progress of Ontario hospitals.

Mr. Swanson, as we all here know, was the business administrator of the Western hospital, and was also for many years the secretary of the Ontario hospital association.

Throughout his whole life he was tremendously interested in hospitals. And the devising of a system of hospital insurance was one of his long-standing objectives.

I would say that, in Ontario, Mr. Swanson's influence made it possible to do what really was not done in other provinces, namely, the bringing together of the hospital association with its different facets—including the Catholic hospitals, the municipal hospitals, the public general hospitals—into a hospital plan.

We have had the very pleasant experience of working in concert with the Ontario hospital association and our Ontario hospitals, rather than being at variance with them. For that, I give credit to the great influence, the great understanding, and the great business ability of the past-chairman.

Mr. Swanson was a familiar figure here, known by most of the hon. members. He gave explanations to this House and its committees in connection with, and in relation to, the problems of hospitals.

I am sure I convey the views of every hon. member here in expressing our great sympathy to his wife and family for the great loss they have sustained.

SPEECH FROM THE THRONE

Mr. E. Sopha (Sudbury): Mr. Speaker, this afternoon I acquainted the House with certain developments in economic activity, in the Sudbury riding, by the two companies

who carry on business in the basin. These, sir, are American companies.

It is nowadays fashionable among a considerable number of Canadians to decry the economic domination of American capital, and there are those among us who will say there is a great danger of the loss of political sovereignty as a result of the investment of that capital.

This is neither the time nor the place to go into that complex subject, but I would refer, Mr. Speaker, to the fact that it was one subject-matter of the comprehensive survey made by Walter Gordon on behalf of the government of Canada.

There is another aspect to it, sir, and we must always keep these things in balance and make reasonable approaches to them. I might say that, as far as Sudbury is concerned, it has been the recipient of the most bountiful munificence on the part of these two companies.

There is not a project designed to ameliorate the general welfare wherein these companies have failed to give the most unremitting assistance, and, as far as Sudbury is concerned, that is in direct contrast to the activities of other companies and individuals in northern Ontario.

Many hon. members will recall that there have been individuals in northern Ontario who have accumulated great wealth as a result of mining development, and have left that area of our country with scarcely a recognition for the communities that were built to provide that wealth, nor recognition of the workers who moiled in the ground to produce it.

Perhaps one should not speak ill of the dead, but two of the most notable individuals are now dead, and I might say this: this summer I had the opportunity to read the biography of the famous George Brown, one of the founders of the Liberal party in this country.

In reading of his activities and his founding of the *Toronto Globe*, it cannot help but give a Liberal some cause for regret when one thinks that that newspaper in the mid-thirties came under the control of the Tory party because of a vast amount of wealth

which was created in northern Ontario, and taken away from northern Ontario to purchase that great newspaper—which has now fallen on sad days in its unremitting support of the Tory party—and in doing so changing the politics of that newspaper.

Between the sessions, I had the privilege to serve on a select committee of this House, the select committee to inquire into the organization of government. And I do want to express the great feeling of appreciation that I had in serving on it and being able to get to know many of the senior civil servants who are the warp and woof of the government of this province.

I do appreciate the efficiency, impartiality and fairness demonstrated in the management of that committee by the hon. Attorney-General (Mr. Roberts). He treated the hon. members of the Liberal party most fairly in his deliberations and gave us the fullest opportunity to express our views.

Later I will be making some comments about him which are not quite so kind, so I want to take the opportunity to say these words and I say them sincerely.

At the deliberations of that committee, sir, you would hardly have recognized the hon. member for York South (Mr. MacDonald). He is a quiet, passive individual when one gets to know him, and I noticed that all during the committee they exposed him to the charm of the hon. Minister of Education (Mr. Roberts) who, I might say, effectively denatured him.

In the interval between the sessions, Sudbury was honoured by the visit of several hon. Ministers of the Crown.

During their visit—I wish, sir, to put it most frankly—I was cut to the quick because not one of them with the exception of one whom I shall mention in a moment, took the opportunity to so much as call me on the telephone.

All during their visit, so far as I could see, they were wined and dined and entertained and shown around by some leading members of the Tory party. That is unfortunate, because most of the leading citizens of Sudbury are Liberal and, if they had taken advantage to call me up, I could have introduced them to many of those leading citizens, who would have advised them of the problems which face our community.

Although I am on the most friendly terms with my hon. friend from the Nickel Belt (Mr. Belisle), I really do not see why he should bring the hon. Attorney-General to

Sudbury and take him around the court house without me being present.

After all, I am a lawyer, and I feel that if I were invited to accompany them around the court house, which has been long a-building—I think it is 4 years now since they started building that court house—then perhaps I might have availed myself of the opportunity in some minor degree, sir, to point out to the hon. Attorney-General some of the problems that we face in the administration of justice among the Queen's most loyal subjects in Sudbury.

But I was denied that opportunity and I hope, in the future, when my hon. friends, the Ministers from the government benches, come to our city they will call me. I do not expect the hon. Prime Minister (Mr. Frost) to call me. He was there, he is a very busy man, he arrived in an airplane; it was announced that he was flying over the area to get a panoramic view of it. I would say to him that if he got down out of the airplane to look then he would really have found out something about us, but I do not expect—

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, may my hon. friend just let me interject that I confidently expected to find him in the curling rink, with all those curlers. And when he was not there I was disappointed.

Mr. Sopha: Well, sir, I am not yet old enough to curl.

Hon. Mr. Roberts: Neither am I, but I thought that the hon. member ought to be there.

Mr. Sopha: Well, let us leave it that way. It may be because when I come to Toronto, I do not call them up. That might be the reason they do not call me.

But there was one noticeable exception—the hon. Minister of Reform Institutions (Mr. Wardrope)—and I regret that he is not in his seat when I say this.

When he came up to open that remarkable new prison at Burwash, he invited me down—they did not let me say anything, but invited me on to the platform.

The most strange thing happened; an event of the most unique character. They had 3 clergymen there—and now I am going to approach this subject with the reverence and seriousness that it deserves. They had 3 clergymen there, and each of the clergymen asked a blessing of the Almighty on the occasion of opening this new prison.

During one of the prayers of the clergymen, I began to sense something unusual. For, in his prayer, this clergyman was asking of the Almighty that the authorities at Toronto change their mind about the provision of a chapel in this institution.

I was rather amazed to find that there was no chapel, so I approached this clergyman after the tour was over and I asked him about the matter and he said: "We have no chapel here, we are forced to—all 3 of us—are forced to hold our services in the recreation room which serves as a gymnasium, movie theatre and anything else which is connected with recreation. But though we have asked them they have persistently and obstinately refused to provide us with a chapel."

I raised that matter, sir, at the meeting of the select committee, when the hon. Minister of Reform Institutions attended, and that provoked a further search by Mr. Hudson of the *Toronto Globe and Mail* as to the departmental policy with respect to chapels in penal institutions. The results of his research were published in a column of the *Globe and Mail*. To sum it up, I do not want to offend my friend, the hon. member for Kent West (Mr. Parry), by referring to a clipping, but he summed it up when he said that, as far as he could determine, their policy was that they do not provide chapels for the use of these clergymen.

I sent a copy of the clipping to the Salvation Army chaplain at Burwash and, if I may put it on record, a part of his reply will serve to give tenor to the substance of the remark that I make.

He wrote to me:

You will have done us a great favour here if, through your efforts, something might be accomplished. I cannot understand why our political leaders take such an attitude regarding accommodation for chapels in our institutions, when there is not one of them who, when they attend their place of worship, would not want it to be the very nicest and cleanest place possible—to bring about the proper atmosphere of worship.

Is it because anything will do for these fellows? With their new trend of reformation, and this wonderful building here at Burwash, it would seem to me that some thought, in keeping with consistent planning for the betterment of the prisoner, would have been given to this vital need.

The letter is signed, "A. McInnes, Brigadier, Salvation Army Chaplain."

I want to ask the government to reconsider their attitude in respect of this benefit because who is there among us, sir, who can underestimate the power of the spiritual in the reformation of these men? I think if they foolishly assume that there is no need for the provision of such a service as this, then they deny to those who are concerned with reformation one of the most powerful weapons, if not the most powerful, that might be used in returning these people, or some of them, to the paths of useful citizenship.

I want to turn, sir, to the question of a road; in fact, I want to talk about two roads.

I had something to do with a road which accomplished some results, and when I tell the story of that to this House—if hon. members will give me their indulgence and listen, I will leave it to the House to decide whether I will get a road sooner if I follow the first tactic than if I publicize the need for one that I do not have.

Last year in this House, I spoke about the Killarney-Burwash road, and I asked the hon. Minister of Highways (Mr. Cass)—unfortunately he is not in his seat tonight—what he was going to do about the completion of that road more expeditiously.

And he said to me—and it is worth just consulting for a moment, briefly, his remarks. He said, first of all:

I might say to the hon. member for Sudbury, the Burwash-Killarney road is a very interesting road. And he might be, if he wrote to people in Killarney as he suggested, in the same position he was with certain hotel owners in the city of Sudbury in northern Ontario—well, that is another story—

But there are many people in Killarney who are grateful to The Department of Highways for proceeding at 5 miles a year and providing employment in the winter-time for a number of men who otherwise would be out of employment due to the loss of fishing in the lake.

Now, I did better than that. He advised me to write to the people in Killarney—in the month of July, I went there.

I went on the occasion of a wedding and those kind people in Killarney—and there are not many who live there—did me the honour of asking me to be master of ceremonies at the wedding reception.

A little later on in the afternoon, a giant bird dropped out of the sky in the form of a twin-engine seaplane; and it carried two smaller birds in the persons of the

hon. member for Algoma-Manitoulin (Mr. Fullerton) and the hon. Minister of Mines (Mr. Maloney).

By that late stage in the afternoon—they got there about 5 o'clock—I had that village completely politicked. In fact in the afternoon, sir—

Hon. L. M. Frost (Prime Minister): Did they ever have such friends as ourselves in their lives?

Mr. Sopha: Meanwhile, back at the wedding—

Hon. Mr. Frost: We are not in favour of the hon. member attending such celebrations as that.

Mr. Sopha: During the course of the afternoon I received a message through the chief of police that the council was assembled in the council hall, and that they would like me to come up. So I left the wedding and I talked to the council.

The mayor and all his associates were there, and they said: "Look, Mr. Sopha, you know this government is building this road at 5 miles a year, and they have got about 25 miles north of Killarney, and the distance from Killarney to highway No. 69 is about 50 miles. Well, you know how long it is going to take them at that rate.

"What can we do to bring home to this government the necessity of finishing that road?"

"Well, your worship," I said, "let me tell you that I happen to know that the hon. Minister of Highways thinks that you want this road built at 5 miles a year."

"Well," the man said to me, in the fashion of Killarney speech, "it ain't so. There is only a dissident minority here that want us to proceed in that fashion."

"Well, you have got to let them know," I said. "I suggest you pass a resolution now and send it to the hon. Minister of Highways."

So they looked at each other and the clerk was not there and they said: "Well, Mr. Sopha, will you write the resolution?"

I said, "I just happen to be solicitor to two municipalities. I will be glad to write the resolution."

So I wrote the resolution for them and they passed it right then, first, second and third reading. They put the seal on and they passed it.

Mr. R. Belisle (Nickel Belt): May I ask the hon. member a question?

Is the hon. member for Sudbury aware that some 2.5 years ago the full council of Killarney was in to see the hon. former Minister of Highways (Mr. Allan)? The hon. member for Algoma-Manitoulin and I accompanied them. They told the then Minister of Highways they objected to him calling tenders. They wanted it to be done on day labour.

Mr. Sopha: Yes.

Mr. Belisle: And the hon. Prime Minister will confirm that.

Mr. Sopha: Yes, I know that. They were all Tories and they voted them all out.

Hon. Mr. Frost: The hon. member should never call the parish priest up there a Tory. This was all worked out with the community heads and the clergy and everything else to give these people work. That is what we did.

Mr. Sopha: Well, here is the point: I had written the resolution and they had passed it. So they sent me a copy, and the day I received a copy I wrote a letter to the hon. Minister of Highways—that was under date of July 15, and I am still waiting for a reply to that letter; but that is about par for the course.

Professor Parkinson said to us when he appeared before the select committee, "Never answer a letter when a telephone call will do," and the hon. member for Grey South (Mr. Oliver) said, "This government invented that procedure."

Hon. Mr. Frost: Mr. Speaker, may I tell the hon. member the road is going ahead this winter and that contracts are being let and the road is being pushed through. I do not know whether it had anything to do with that resolution or not, but it is a result of one of those flights that he was mentioning over that country. It is done; that is the way we do business.

Mr. Sopha: Mr. Speaker, I am the first to give credit where credit is due. I merely say that I initiated this.

Concerning the visit I was talking about, which the hon. Prime Minister made when he flew over the area, I am aware that he flew to Killarney. He came to Sudbury and, I believe, it was in Sudbury that he announced that he was going to complete the road, and that the contract would be let. Sure enough, they are busy as beavers on the highway.

Hon. Mr. Frost: Mr. Speaker, I would be glad to let the hon. member in on the act if he wants to get in.

Mr. Sopha: Now, I want to turn to another road. I have appraised the House of the little influence I had with respect to that. I hope my efforts will be met with comparable success.

I want to talk about the Sudbury-Timmins link and it is not a revelation. I am not telling the hon. Prime Minister anything new, because he has heard about it before. In fact, it was 30 years ago that the famous W. E. Mason of the Sudbury *Star* and the board of trade of Sudbury first initiated the proposal of a Sudbury-Timmins road.

Ever since that time, sir, it is a most complex and tortuous story of what has happened to that road since, but I can say that as of this date not one shovelful of gravel, not one stick of dynamite, has been employed in the construction of that road. In fact, it was in the winter of 1959 that the Sudbury chamber of commerce—which has been one of the strongest organizations supporting the building of this road—planned the trip by snowmobiles over the frozen wastes from Sudbury to Timmins to dramatize its necessity and this got wide coverage. A band of venturesome citizens of Sudbury were going to take off on these snowmobiles, well supplied with provisions and other things necessary for the trip, no doubt, and they were going to make it all the way to Timmins in order to demonstrate that such a road was feasible.

I do not know if the hon. Prime Minister knew about this, but just before they were about to set out he seemed to take away the necessity for such a dramatic adventure. In the Sudbury *Star* of March 14, 1959—if I hold it up one can see the importance of the announcement he made and its headline—"OK Sudbury-Timmins Link."

That, of course, is front-page news in Sudbury. It is written by the Toronto bureau of the Sudbury *Star* and reads as follows:

FROST SEES ROAD SPURRING DEVELOPMENT

Construction is to start this year on the Sudbury-Timmins highway, the road which will link the nickel belt and the gold belt by a direct route.

Premier Leslie Frost told the Sudbury *Star* he is specially interested in the triangle development outlined in the *Star* a few years ago which envisaged highway links between Sudbury-Timmins, Timmins-Chapleau and Chapleau-Sudbury.

"The Sudbury-Timmins highway will be built"—

and this is a quotation from the hon. Prime Minister—

"—work will be started on it this year."

Then he goes on to tell about his long interest in it.

I do not know whether there is any connection, Mr. Speaker, and we do not know whether there is any connection between the date of March 14, 1959, and June 9, 1959. There may or may not be. However, there was his announcement—purely coincidental.

As I say, I raised this matter in the House last year and nothing has been done yet. The Sudbury and district chamber of commerce in October of this year prepared another brief in support of the highway and it is to be hoped this government will finally do something.

Significantly, a road was built between Foleyet and Chapleau and there cannot be any comprehension of why that route should get priority. One cannot imagine any economic necessity or any purposive of approach, for the development of access roads to mineral areas which would take precedence over the linking of the two largest population centres in northern Ontario.

There we are in Sudbury, balanced purely on an east-west axis. The only road we have is the road that links us with North Bay in the east and Sault Ste. Marie in the west. In addition, the only route of access into the hinterland that lies above us are the two railroads. To all intents and purposes we in Sudbury are more closely linked with southern Ontario than we are with the north.

Surely it is a legitimate aspiration for this great basin—Sudbury containing as it does upwards of 150,000 people—to expand its sphere of influence to the north. A road from Chapleau to Foleyet can only make sense if it is part of a further development which will link highway No. 17 on the south and highway No. 11 on the north. Then people travelling from western Canada could take their choice whether they proceed toward north-eastern Ontario or come down at Foleyet to Chapleau and thence on into Sudbury.

We cannot understand why this government, that pays lip service to northern developments as it does, will not immediately start the construction of that road.

Hon. Mr. Frost: I would say to the hon. member that I would not want to place any priority, Sudbury over Timmins or Timmins over Sudbury. But the Timmins people, the Timmins council and their chamber of commerce pressed for the Foleyet-Chapleau road first of all. We have to listen to somebody, and it seemed to me that it would be a reasonable cause.

When I have the opportunity I will tell

the hon. member what some of his people of Sudbury have asked down there. I do not want to spoil his speech but I will be very glad to tell him.

Mr. Sopha: I do not know who these people in Sudbury are who are asking for otherwise. I have before me editorials from the *Sudbury Star*, which organ surely reflects to some degree the wishes of the people of the basin. One of July 16 of this year says—

Interjections by hon. members.

Mr. Sopha: Mr. Speaker, I would urge the hon. Minister of Transport (Mr. Rowntree) to pay attention to a complex subject because it takes him a little bit longer than most men to comprehend.

One editorial is entitled: "Can cut round-about mileage with direct northern routes." Another one says: "Government apathy to north may become politically fatal." We know that is true, anyway. "North looks for recognition in seeking"—

Hon. Mr. Frost: I might say to the hon. member, that did not refer to us here.

Mr. Sopha: "North looks for recognition in seeking development aid." Here is a delightful cartoon of the hon. Minister of Highways which is very flattering, showing him apparently talking to a representative of Foleyet. "Highway from Wawa and Chapleau to Foleyet and Timmins." Then he is pushing a citizen of Sudbury back and says, "Beat it, boy, you bother me." Sort of out of sight, out of mind.

Here is another epistle from the Toronto bureau of the *Sudbury Star*:

Failure of the Throne speech this week to mention any plans for a Sudbury-Chapleau, or a Sudbury-Timmins highway is seen as another nail in the party's coffin as far as the Sudbury district is concerned.

Now what better emphasis could I put to it than remind the hon. member for Nickel Belt of this fact. I might suggest to the hon. Prime Minister that if he will not do this for me, he should do it for my hon. friend because he is in trouble, he is in trouble.

The hon. member for Nickel Belt said last year—and I hope I paraphrase his remarks accurately—that if the hon. Prime Minister does not soon get started on this road, they will not be able to call it the "Frost highway."

Now I am going to leave that with the assurance that an announcement will be forthcoming.

The hon. Prime Minister invited us on this side to say something about the speech from the Throne and I am delighted to do so. I just want to mention in passing I made a speech, at a gathering this summer, about this promise that The Department of Economics will be augmented and strengthened. I would hope so. I do not see any reason why The Department of Economics should not know more about the economic conditions in Ontario than any other single agency elsewhere in the world. It ought to.

The department ought to be able to advise industry or anyone else interested in Ontario. But we sometimes wonder whether in that Department of Economics there be no economists, merely arithmeticians. We sometimes wonder over here what they do about studying the economic conditions of Ontario. We will watch with interest the expansion of this department.

Mr. Speaker, before I approach the next subject, I want to say a word about the constitution of this country. It is a subject that must be approached most fearsomely, especially by a lawyer, because I hastefully say that I am no constitutional lawyer, I am a plaintiff's lawyer. But I did have some opportunity to study both the constitutional history of this country and constitutional law as it has been laid down by the courts from decade to decade.

The Throne speech says:

Ontario has been engaged in discussions with the government of Canada and the other provinces in seeking a mutually acceptable procedure for amending the Canadian constitution solely in Canada.

The hon. Attorney-General, I think it was in October, led a delegation of his associates to Ottawa to speak to Attorneys-General assembled there from the other provinces, in order to make an approach toward a formula for the amending of our constitution in Canada.

That the constitution should be amended in Canada admits of no opposition or of no doubt. Interestingly enough, the province of Saskatchewan was the only delegation which apparently had constitutional lawyers of eminence accompanying it. Now that impoverished province as compared to ours sought the services of Professor Frank Scott of McGill and Dean Cronkite of the faculty of law of the University of Saskatchewan, two outstanding constitutional lawyers.

The delegation from this government, so far as I am able to determine, took with it Professor Brady of the University of Toronto,

who is an economist, and Mr. Clifford Magone, a former Deputy Attorney-General. Now Mr. Magone is unquestionably a man of the highest reputation among lawyers. He is not a constitutional lawyer, however. Again so far as I can determine, the hon. Attorney-General did not avail himself of the advice or assistance of anyone versed in the field of constitutional law.

And may I add, sir, that Ontario, aside from Professor Scott, had the most able constitutional expert in the country, in the person of Professor Bora Laskin, who has published a text on the field and has collected and compiled the cases. Now they might have availed themselves of his advice.

Hon. H. L. Rowntree (Minister of Transport): I will tell the hon. member that his definition and references to Mr. Clifford Magone are absolutely unfounded. Mr. Magone is one of the outstanding lawyers in this province. And the Opposition hon. member should never get up and make a statement—

Mr. Sopha: Now I said, and I deliberately pointed this out to the hon. Minister and to all the hon. members of this House, that the government of Saskatchewan took these two able persons with them and we did not, and something very significant happened down there at Ottawa—

Mr. D. C. MacDonald (York South): They have a good government in Saskatchewan.

Mr. Sopha: Yes, well, I am not arguing that. But I say that this is something significant which reflects very much to the discredit of this government. When the hon. Attorney-General of our province went to Ottawa, the meeting was held *in camera*. Now, sir, there is nothing more vital in the framework of our country, and the system under which we live, than The British North America Act. It is the very warp and woof of our existence. And anything done towards the amending procedure of that statute ought not to be done *in camera*.

The meetings dealing with the constitution should have the fullest publicity and should be under the most searching glare of public scrutiny. But at that meeting, the hon. Minister of Justice of Canada (Mr. Fulton)—to lapse into the vernacular—tried to pull a fast one, and apparently the hon. Attorney-General fell right into the trap. I am glad to see that he is coming to his seat.

The hon. Minister of Justice said to these assembled dignitaries of the provinces: "Let us approach this thing in two stages." He

said: "Let us get the Imperial Parliament in Great Britain to give us the power to amend the constitution and then after that we will get together and work out a way in which to do it." I say to him through you, sir, that is no way to approach that document, the importance of which is not rivalled by any other document in this country.

The press report indicates that they agreed with approaching it in that manner. I want to say that the Rt. hon. Prime Minister of this country (Mr. Diefenbaker) can talk all he wants about the bill of rights, nobody knows what it means yet. I have tried to argue it in 3 or 4 courts. The magistrates hardly recognize the name of it. You get nowhere.

The bill of rights, sir, is pale in significance compared to The British North America Act. And yet before the bill of rights was passed as a result of pressure brought upon the government of Canada, representations were allowed to be made by constitutional lawyers, other learned people, and any interested groups in respect of what should be contained in that bill.

I say to you, sir, if that were the case with the bill of rights, then there is monumental importance that the same opportunity be given in respect of the amendment of The British North America Act.

Hon. Mr. Frost: I wish to explain one point, which I think is very important in this matter: It is not the problem of drawing a constitutional amendment at all. That can be very easily done here. As a matter of fact, we could call in our hon. friend opposite, I am quite satisfied that he could draw the amendment, although I would want to look it over myself, check it over, after the experience he had with the bill of rights.

But the problem is this: It is the problem of how much of the constitution is to be entrenched. Now you have extremes of views in that. Some provinces—and I would say ourselves—have taken a very generous view of that. We have been prepared to place our interests in the common pool and have the amendment made by some reasonable majority of the provinces and the population.

That is not the point of view accepted by some of the other provinces which are desirous of entrenching very many things. We take the viewpoint that some of the fundamentals of confederation—that is, education, religion and language, certain things that are in the constitution—should be entrenched. Now those things should be entrenched, and by that I mean they would be

subject to unanimous consent in the event of amendment. Now I think that is fair and is proper.

On the other hand, in connection with the list of subjects contained, say, in sections 91 and 92 of the Act—particularly 92, that is the provincial section—there are feelings on the part of some of the provinces that a great part of that should be entrenched. It is a question of negotiation on that point. I can say to the hon. member that I think there is a very great possibility of agreement on that subject.

Rt. hon. Mr. St. Laurent called a conference 10 years ago, in 1950. I will say that he made a very great effort to solve that particular problem. It is not a matter of settling it in the market place, and I think the hon. members will understand that. I think that Rt. hon. Mr. St. Laurent was quite right, and I think the present administration is quite right, in trying to solve the problem by conferences among the governments themselves. And I think that the matter is very close to solution.

Ultimately, of course, the whole matter comes back here. But I point out to the hon. member that it is not really a matter of constitutional difficulty. Once there is agreement among the Canadian provinces, then the matter is very simple. It is the problem of arriving at that point of agreement, which I would say has been very much narrowed in the last few months, in the period since last July.

Mr. Sopha: Of course it is a very complex subject.

Hon. Mr. Frost: Very complex.

Mr. Sopha: We know some other hon. members in the House do not realize how complex it became in the last two decades. The late Mr. Mackenzie King felt the necessity of going to all 10 provinces in order to get consent for amendment in respect of old age pensions and unemployment insurance.

And the theory has grown up that there be a British North America Act as a compact. There are some provinces that hold to the view it can only be amended if there is consent of all 10. And yet there is a prevailing view that the federal government may amend the Act at its own will if it is the part of the Act that affects only it. This year it amended the Act in respect of compulsory retirement of judges. And I do not think it got the consent of a majority or all of the provinces to do so.

Hon. Mr. Frost: Yes, it did!

Mr. Sopha: It did? But I do say this, that not all of the brains in the field of law, in the field of constitutional law, are lodged in The Department of the Attorney-General. I do not hold a brief for any lawyer to get him a job, but I say there are at least two men in this province who are well equipped: one of them is Professor Laskin and the other is B. J. McKinnon, who practices downtown. The Department of the Attorney-General, as with the province of Saskatchewan, might avail itself of the wisdom of these men.

Hon. Mr. Roberts: Mr. Speaker, besides Mr. Magone who was present in the delegation, there was Professor Brady of the University of Toronto in our delegation and there was also Mr. Maurice Tremblay, when he was in reasonable health, to help in certain relations. We had a delegation there that I was very proud of, and from whom we got a lot of assistance. All 10 provinces had advisors with them, and there was nothing lacking in expert advice.

Mr. Sopha: We have lived with this statute since 1867. During that time, the power to amend it has been reposed in the Imperial Parliament. It is true that the Imperial Parliament will pay heed to an address of the Senate and House of Commons of Canada and will always amend it. But, as I say, it is almost 100 years that we have now lived with it—there is no precipitate haste to get it reposed in the Parliament of Canada.

But, I say, common sense demands that the widest opportunity be given to constitutional lawyers, political scientists and other learned people—in fact, all interested groups in this country—to make the fullest representation to the federal government in respect of the manner in which this constitution is going to be amended hereafter.

Hon. Mr. Frost: I point out to the hon. member that the basic difficulty is this: It is not what economists, or the type of persons he has mentioned, who would represent a point of view which would be acceptable in, say, Toronto, Ontario, that counts. We have to remember that there are 10 provinces and we have to reconcile the views of the 10 provinces. That is the difficulty.

It is not a matter of drawing the amendment. The amendment could be drawn in 15 minutes, as soon as there is agreement as to what is to be entrenched and what is not to be entrenched, and what is to be subject to the general rules and provisions we have

with regard to amendments. It is a simple matter, not of lawyers at all.

It is the simple matter of getting persons representative of these governments who, in a number of cases, are not lawyers at all, to say: "Here, we do not want to be placed in a constitution straitjacket by agreeing to a certain thing that means any province has the right of veto." That is the problem. It is just as simple as that. Yet it is a complicated matter.

Now, Rt. hon. Mr. St. Laurent, a very wise man, attempted to settle that 10 years ago. I may say I would have had no difficulty in agreeing with his point of view.

Mr. Sopha: Yes. Well, I am glad, Mr. Speaker, that we had an opportunity to discuss this vital subject. This goes to the very foundation of our confederation, and it is well that we use this forum to air this problem. But, I just want to say that until agreement is reached in the method of amendment and what should be entrenched, the power to amend the constitution, the actual mechanics of it, should be left with the Imperial Parliament.

Now, I want to turn to another aspect of the constitution, and that is the distribution of legislative powers. I hope I do not provoke the hon. Prime Minister as many times with this aspect of it as I did with the otherwise simple matter—or more simple matter—of amending it.

The other day in his speech he hurled the term "centralist" at us. He said: "You are centralists." Now, surely, the circle has turned a full 180 degrees, because if he would but look at history he would know that Sir John A. Macdonald, the founder of his party, was the greatest centralist—the writer of The British North America Act—that there has been in the history of Canada. I do not need to go into the history of the matter.

Hon. Mr. Frost: But the hon. member has taken his place, unfortunately.

Mr. Sopha: Sir John A. Macdonald and George Etienne Cartier were desirous of founding a strong central government. One of the greatest constitutional lawyers this country has ever seen occupied the highest public office the country can bestow upon a person. That was R. B. Bennett, later Viscount Bennett, who, in the years 1930 to 1935 was the greatest centralist with this new-deal legislation with reference to unemployment insurance, with reference to regulation of the insurance industry. And now the hon. Prime Minister of Ontario,

completely putting aside history, hurls the term "centralist" at us. He has gone half-circle as compared to the views of those of his colleagues of yesteryears.

I give it as my private opinion, sir, that with all this talk about federal-provincial fiscal relations and all the pressure there is on the provincial government to find and provide revenue, that I, sir, am centralist enough to believe that if we had a redistribution of the powers giving to the federal government those powers which it can better perform and keeping in the Legislature of Ontario those powers of a more local nature, that it can better perform, then a great deal of the pressure upon this government for sources of revenue would be alleviated.

Hon. Mr. Frost: What would the hon. member hand over?

Mr. Sopha: I will tell the hon. Prime Minister in a moment. I will tell him two tonight. Now is not the time to go into the judicial interpretation. But lawyers know; the hon. Minister of Energy Resources (Mr. Macaulay) knows. I say this because I have heard Mr. Laskin say that the hon. Minister of Energy Resources often complained to him that he only got 59 percent in constitutional law, and that Professor Laskin said to the hon. Minister of Energy Resources: "What are you complaining about? You only have to be 50 per cent right in the supreme court of Canada and you win."

Those with training in law know that during the last 3 decades of the nineteenth century, and perhaps during the first 3 of the twentieth century, the judicial committee of the Privy Council, abetted and aided somewhat by Sir Lyman P. Duff, who was chief justice of this country for a period, tortured the words of sections 91 and 92 so as to impose upon the provinces of this country duties and responsibilities which it had never been intended that the provinces would perform.

The hon. Prime Minister has asked me for two that I would hand over. Under section 91, the federal Parliament is given jurisdiction over banks and banking. We read in the paper, from time to time, all the anguish of Mr. Coyne as he attempts to influence the monetary policy—supply of money, tight money, easier money, easier credit—through a manipulation of the interest rate, the bank rate it is called, of the Bank of Canada.

Through judicial interpretation of the Privy Council of The British North America Act, the great supply of savings funds were

put under the control of the provinces, and I refer specifically to the insurance and trust companies. The amount of money in the hands of insurance and trust companies is infinitely greater than that at any time in the hands of the banks.

Lest the hon. member for High Park (Mr. Cowling) and the hon. Minister from St. Andrew (Mr. Grossman) continue to think that the main business of insurance companies is to sell insurance, it is not. The main business of insurance companies is to invest the vast sums of savings that come into their hands through the payment of premiums. So because of the great inability of the federal government, try as it might over the years, to get control of the investment policies of insurance and trust companies, one of the greatest weapons in the hands of government to influence the pattern of economic development is denied it, because those companies are subject to the laws of 10 separate sovereign provinces.

I would say to the hon. Prime Minister, if he and the hon. Attorney-General or either of them go to Ottawa, they could do this country a great and abiding service for which they would go down in history. They would be remembered forevermore if they would lead a movement to give that responsibility and that stability and facility to the federal government to control the investment policies of those two financial institutions.

Hon. Mr. Frost: There is no money in that.

Mr. Sopha: The hon. Prime Minister could close up The Department of Insurance. Please do not try to distort what I say. I am talking about the broad economic development of this country, and writers downtown in the press, and the smoother covered magazines all over the place, are always decrying the fact that Canadians will not invest in their own country; that we have to import foreign capital.

I say to the hon. Prime Minister that the insurance companies or the trust companies are the last ones to invest in anything of a risky nature. They are content to buy government of Canada savings bonds. They put that vast amount of capital into them, and this government takes no steps to make their investment policies more flexible.

I say, if it were controlled by the federal government, that subtle pressure and other devices could be used in order to funnel that vast amount of funds, which represents the savings of the people of this country, into patterns which are characteristic of more risk.

I am not suggesting for one moment that the trust or insurance companies should invest in moose pasture in the Northwest Territories or anything else. But I say that they are exceedingly conservative in their investment policy.

Hon. Mr. Frost: The argument of the hon. member is that we give this to the federal government so they can give away all our money.

Mr. Sopha: That is not my argument at all. The hon. Prime Minister knows the effort the federal government made down as far as, I think, 1917, even attempting to use the power of criminal law, as he knows, to get control of the insurance companies. They tried every other heading in section 91, trade and commerce, this one and that one, and they failed in all. They took it to the Privy Council on each occasion. Then finally they got down to criminal law and tried to regulate the insurance and trust companies under that code. I believe that was the 1917 case, though I may be inaccurate.

Hon. Mr. Frost: That is the way the centralists do business!

Mr. Sopha: Sir Lyman Duff was over in Britain when that case came on for argument, and they invited him to join them on the bench. Sir Lyman Duff said: "Is this the old insurance business coming here once again? I am tired of it." But he talked it out, and the federal government has never tried since that time.

The only way the federal government will get control of the vast accumulation of savings and their investment pattern is if the hon. Prime Minister and the hon. Attorney General adopt a rational outlook and lead a movement to repose it in the hands of that government.

The other matter that I say should be given to the federal government is that of labour relations.

Hon. Mr. Frost: Might I ask the hon. leader of the Opposition if he wants to hand over the assets of Mutual Life to that sort of administration?

Mr. J. J. Wintermeyer (Leader of the Opposition): I see nothing disturbing about what the hon. member has said.

Mr. R. M. Whicher (Bruce): What is the matter, does the hon. Prime Minister not trust them?

Mr. Sopha: Well, Mr. Speaker, these interruptions give me the opportunity to

consult my notes. I am not speaking from a prepared text.

The other one that I would hand over is labour relations. That may seem startling. It will not seem startling to the hon. members to my left because the organizations with which they are connected, for a long time, have seen the great benefits that can stem from a federal regulation of labour relations.

In the field of labour relations we have 10 jurisdictions that control labour law.

An hon. member: Eleven!

Mr. Sopha: Eleven. Thank you.

The eleventh is the federal government. The federal Industrial Relations, Disputes and Investigation Act covers only about 10 per cent of the Canadian labour force. That is to say it regulates, in the field of labour relations, employees of those industries named in section 91—such as railways and canals—and can regulate the industries that have been declared to be to the general advantage of Canada. That covers about 10 per cent.

In this field we have the same problem of the relationship between constitutional law and social fact. A federal system of government must adapt itself to changing social conditions by amendment or new judicial interpretation or it will create confusion—in fact confusion has been created, progress has been slowed—and contribute to social tension. The purpose of state intervention in labour relations is to relieve tension.

There is a desire on the part of labour for uniformity and that desire for uniformity has found its outlet in pressure for the enlarged jurisdiction of the federal Labour Relations Act. It got little support at various conferences of Ministers of Labour that have been held from time to time; I see no record of any since 1946. It has received no support at all from the Canadian manufacturers' association because industry generally, it becomes apparent, would rather deal with trade unions in 10 jurisdictions than deal with them under one unitary method of labour relations.

If the federal government had enlarged jurisdiction in the field of labour relations it would make impossible the anti-labour legislation that occurred or was passed in Prince Edward Island in 1947, in British Columbia and Newfoundland in 1959. In a federal state the alternative to federal authority is not always or necessarily provincial autonomy. It may well turn out to be anarchy, and in the field of labour relations anarchy has, in fact, existed.

Look, Mr. Speaker, at the absurdity of the packing-house strike in 1947. In that case there was negotiation in Toronto. The negotiation failed to culminate in any agreement and there was a strike of packing-house workers all across the country and, I believe, the 3 major firms involved had plants in each one of the provinces. Premier Drew—and the hon. Prime Minister will probably remember this—initiated conferences in Toronto. Nothing whatsoever came of the meeting. Professor Scott, in an article, has this to say about it:

This strike gave a revealing example of the anarchy that results from big issues being left to small jurisdictions. Because Ottawa could not act, the provinces thought they would try to combine forces and bring about a settlement. At Premier Drew's suggestion, representatives of 7 provincial governments met in Toronto on September 26, 1947, to work out a common plan. There were 6 Ministers of Labour, one Deputy Minister, one observer from Prince Edward Island and one message of sympathy from British Columbia.

Rumour has it that one Minister said the strike was illegal in each province and should be smashed, to which Saskatchewan replied that it was not illegal in Saskatchewan. Nothing came of the meeting except a good lesson in federalism. Even the appointment of a common conciliator could not be agreed upon.

The delegates went sorrowfully home nursing their provincial autonomy. The strike was settled without benefit of law, but it might not have occurred and it will be less likely to occur in the future in this or other big industries if jurisdiction keeps pace or is brought in line with the facts.

Now, to sum it all up, the Canadian congress of labour, in 1958, urged the adoption of this resolution, which was adopted at its convention:

BE IT RESOLVED THAT the congress urge upon the government to declare inter-provincial industries of nationwide scope and importance work for the general advantage of Canada and so bring them under the exclusive jurisdiction of Parliament and within the purview of The Industrial Relations and Disputes Investigation Act.

Mr. MacDonald: The Liberal majority voted that bill down every time it came before the House.

Mr. Sopha: I have no responsibility for those people.

I pointed out the absurdity of the packing-house strike. The hon. Minister of Labour (Mr. Daley) last year told us about an absurd situation in respect of the same thing, which is worth recounting. I hope I have the facts right. A strike started in the teamsters' union in Montreal and a sympathy strike erupted in Ontario in support of those down in Montreal. Of course, the hon. Minister's conciliators, mediators, and people had nothing whatsoever to do with the strike down in Montreal or its causes, and knew nothing about it at all. All they knew was the fact that there were a number of teamsters in Kitchener or Sarnia or some place who were out in sympathy with them.

The hon. Minister of Labour told us what he did. He called up Jimmy Hoffa, and he said something to Hoffa to the effect that, "I did you a favour once and you said all I had to do was call you and you would settle the strike." And Hoffa said, "I remember that!" Within 24 hours the strike was settled.

I suggested to the hon. Minister of Labour at that time that he should appoint Hoffa as his Deputy Minister. But, at least, it demonstrates the inability to cope, in one province, with an atmosphere of industrial disharmony in another.

Again, if the hon. Prime Minister and the hon. Attorney-General want to do something to the enduring and eternal benefit of Canada, they might give a little bit at these conferences and repose with the federal government powers which it can better exercise for the benefit of all of the people of Canada.

Mr. Speaker, there is just one final topic upon which I wish to touch, and that is in respect to the remarks of the hon. Prime Minister addressed the other day insinuating that I and the hon. member for York South were acting in the role of prosecutor by appearing at the Royal commission. I want to give this background to it.

I treat it as a very serious thing—a very serious thing indeed—that a private member of the House, a backbencher, an insignificant backbencher in the House, is the object of criticism from the hon. leader of the government. Certainly it must be a serious matter when the hon. leader of the government goes out of his way to chastise a private member in the Opposition. For that reason, sir, I feel obligated to reply to that criticism.

I want to make it a matter of record right now that concerning the hearing of the Royal commission with Judge Macdonell, I have not the slightest scintilla of shame or regret for appearing there on behalf of my party as I

was instructed to do. When the evidence was concluded, my opening remarks to the Royal commissioner were to this effect:

"I am not going to suggest that in any way the hon. Minister of Labour was guilty of any moral wrong in respect of this transaction. No one," I said to the commissioner, "in the Liberal party ever suggested that he was."

And I said, "Mr. Commissioner, it would ill-behave me as a new member of the Legislature to come before this commission and criticize a man of threescore years and ten who has devoted most of his adult life to the public service of this province, and a man for whom I have the highest esteem."

Now that was the background against which I set my remarks.

Then I went on as was my duty to point out to the Royal commissioner those things I felt the hon. Minister of Labour, in the execution of his duties as chairman of the Niagara parks commission and supported by his fellow commissioners on that parks commission, had done wrong. We felt they had carried out their duty without attention to either the law or without attention to good business practice. What I said in my submission forms the foundation of this report.

Now the hon. Prime Minister reads it one way, I read it another. Every submission that we made to them, the Royal commissioner put in his report. The hon. Prime Minister looked at it and he said that is vindication. Well, that is one point of view.

I do want to say this: In respect of the illegality, or at least irregularity, that he mentions in his report, it was I who raised that. The able counsel employed by the commission, Mr. C. F. H. Carson, so far as I was able to ascertain, had not intended to raise this point if I had not done so. Certainly he had his opportunity to bring it to the attention of the commissioner and he did not. It was I who brought that to the attention of the commissioner.

And it might be well—

Hon. Mr. Frost: Might I ask the hon. member: If his submissions have been accepted by the commissioner would not the hon. Minister of Labour have been in the position of having to resign?

Mr. MacDonald: The hon. Prime Minister is drawing a red herring across—

Hon. Mr. Frost: I am asking the hon. member for Sudbury! The hon. member for York South will please stay out of this.

I ask the hon. member for Sudbury: Is that not so?

Mr. Sopha: I think not!

Hon. Mr. Frost: I would ask the hon. member if he ever read the quite well-known statement by Rt. hon. C. D. Howe about approaching a matter with a Bible in one hand and a dagger in the other. Figure that one out!

Mr. Sopha: I am going to read a couple of quotations from men even more eminent than Rt. hon. C. D. Howe, though such are hard to find. But first I want to put on record what the Royal commissioner said about our participation:

I am grateful to counsel for the commission for the research and precise presentation of the evidence. I am also grateful to other counsel, particularly those for the Liberal and Co-operative Commonwealth Federation party who conducted a searching and exhaustive cross-examination of the witnesses.

Hon. Mr. Frost: That is right, he was referring to the hon. member as a lawyer. I am referring to the hon. member as a public servant and an hon. member of this House, with obligations in this House. That is what I am referring to. These are two totally different things. I would agree with the commissioner on what he said about the hon. member as a lawyer. I am talking about the hon. member as a member of this House.

Mr. Sopha: I do not want to use all the time. But I do want to put my submission on record; the hon. Prime Minister had his opportunity the other day.

The hon. Prime Minister, I take it, in his inarticulated major premise — I think the logicians call it—is saying that we ought not to appear at these Royal commissions because we ought not to do anything to impugn the honour of any other hon. member of the House. I think that is it.

Hon. Mr. Frost: I thoroughly agree with that.

Mr. MacDonald: What an absurd proposition. The hon. Prime Minister does not want us to look at the facts, does he?

Mr. Sopha: The hon. Prime Minister, when he says we are not supposed to do anything to criticize the hon. gentlemen opposite, would have us believe that this is a nice big

knitting circle and he is the chief knitter. In fact, I hesitate to say so, but it is something akin to the Russian Parliament, where Khrushchev never gets any criticism. It is like an Oxford Street club where we are all buddies; we all stand by the honour and integrity of each and every member. Well, if this is to be a sovereign Parliament among Parliaments, then it has to function like a Parliament.

Hon. Mr. Frost: Might I—

Interjections by hon. members.

Hon. Mr. Frost: Might I ask the hon. member—of course, he heard what I said. My point is this, I just want to get the record straight. The hon. member is quite right—

Interjections by hon. members.

Mr. Speaker: Order, order!

Mr. Sopha: Mr. Speaker, I have no duty and I reject any suggestion that I have any duty to protect any of the hon. gentlemen opposite, subject to this—

Hon. Mr. Frost: When he fails, the hon. member should resign. But he is not man enough to resign.

Mr. Speaker: Order, order.

Mr. Sopha: One of the dangers of allowing the hon. Prime Minister to put his statement on record, sir, unanswered, is that future generations always credit the remarks of heads of government as setting down custom and precedent accurately. That is why they should be answered.

Now, I took occasion to look into that precedent after he made that general statement. And I find that in the American system of government—which we, as Canadians, are prone to decry. We look to the mother of Parliaments for our custom and precedent—under the United States committee system they call fellow Senators and cabinet Ministers and members of the Congress before them all the time and cross-examine them most exhaustively in support of any measure which they are advocating.

We do not particularly like that one. In the mother of Parliaments the House of Lords has been the great high court of Parliament and its beginnings are lost in the mists of antiquity.

Listen to what Burke said at the trial of

Warren Hastings, a trial of impeachment in the House of Lords:

In the name of the Commons of England I charge all this villainy upon Warren Hastings in this rapt moment of my application to you.

My lords, what is it that we want here but a great act of national justice?

Do we want a cause, my lords? You have the cause of oppressed princes, of undone women of the first rank, of desolated provinces and of wasted kingdoms.

My lords, is it a prosecutor you want? You have before you the commons of Great Britain as prosecutors and I believe, my lords, if the sun in his beneficent progress around the world does not behold a more glorious sight than that of men separated from a remote people by the material bonds and barriers of nature, united by the bond of a social and moral community, all the commons of England resenting as their own the indignities and cruelties that are offered to all the people of India.

Now those are the words of Burke.

Hon. Mr. Frost: Was Warren Hastings a member of Parliament? If he was not, what the hon. member is saying is entirely irrelevant. Was he a member of Parliament or not?

Interjections by several hon. members.

Mr. Speaker: Order! Order!

Mr. Sopha: Now, Warren Hastings, of course, was not a member of Parliament. He was the governor of India.

Hon. Mr. Frost: It is irrelevant then.

Mr. Sopha: He was the governor of India, but I did not read the quotation for that reason. I read the quotation to show that Edmund Burke—or Leslie Frost, take your choice—but Edmund Burke gladly accepted the name of prosecutor for the Commons of England at that trial.

Hon. Mr. Frost: All right, but that was quite different.

Mr. Sopha: But as the hon. Prime Minister knows; and if he does not know, the hon. Attorney-General will tell him—

Hon. Mr. Frost: I am talking about one member against another member—

Mr. Sopha: Let me finish—

Hon. Mr. Frost: If Edmund Burke had made a charge against another member—

Mr. Sopha: I am going to come to that—

Hon. Mr. Frost: —then he would have had to resign.

Mr. Sopha: The House of Lords, as all hon. members know, has functioned as the place where peers are tried. Peers accused of any of the major crimes, and especially treason or misprision of treason, were tried in the House of Lords. They were prosecuted by their fellows, their fellow peers—

Hon. Mr. Frost: That is in the court—

Mr. Sopha: That was in the court.

Hon. Mr. Frost: My hon. friend knows the House of Lords was a court.

Mr. Sopha: Yes! But I was just showing you precedent. The House of Lords, when it functions as a court, is not the St. Belvedere knitting society.

Now what is the difference—now that we are into this question—what is the difference in the hon. Minister of Labour appearing before the committee on privileges and elections, as he did, and subjecting himself to cross-examination by all members of that committee—government and Opposition alike—and then going down to a Royal commission initiated by the hon. Prime Minister and subjecting himself to the cross-examination of one member of the Opposition? What is the difference?

Mr. Whicher: What are you after now?

Mr. Sopha: The hon. Prime Minister is far more fastidious in his thinking—

Hon. Mr. Frost: No, no! As I said to my hon. friend, the point of difference is this. If an hon. member of this House makes an allegation impugning the honour of another hon. member, then he should be prepared to stake his—

An hon. member: Accept the issue and resign!

Hon. Mr. Frost: I quote the Porter case, the Murdoch-Porter case in the House of Commons in Ottawa on that point. It is in the memory of—

Mr. Sopha: That has nothing to do with me, I made no charges at any time—

Hon. Mr. Frost: The hon. member did it under the guise of—

Mr. Sopha: I went there, it was my duty, and I cross-examined—

Hon. Mr. Frost: I will tell him this: he went down there under the protection of that commission and he—

Mr. Sopha: I never made any charges—

Hon. Mr. Frost: —acted as counsel for the Liberal party.

Mr. Sopha: The Liberal party never made any charges.

An hon. member: You ought to look after your own party!

Mr. Sopha: We received notification of the Royal commission hearings from the hon. Attorney-General. We went down there and if we had not gone, as the hon. member for York South aptly points out, we never would have gotten to the root of the matter.

Mr. MacDonald: Mr. Speaker, I rise on a question of privilege on this. The Liberal party did make a charge and that is why we had a Royal commission. They charged the hon. Minister was indiscreet in the minority report which the hon. Prime Minister refused to accept.

Hon. Mr. Frost: That is why I referred it to the commission, of course.

Mr. Sopha: I never heard of it. But, of course, we have our duty. There is something far more serious to it than this.

Now that we have the record straight on that one, I want to address myself to another comment the hon. Prime Minister made in his speech the other day.

I get the impression, Mr. Speaker, that the chief function of the Opposition here—after listening to the hon. Prime Minister as I have done for two years when he takes part in the Throne debate—that our function is to come here once a session, be chastized and and scolded by him, and then go home.

Yes, and then go home.

Because the other day the hon. leader of the Opposition in a very able, forthright and energetic speech exposed to the House the situation in Eastview. That is something to which I wish to address my concluding and final remarks.

I do not need to go into the malfeasance that has occurred down there. If I had the time I would go into all these clippings, but the hon. member for Kent West does not like them. However, they set out what occurred at the hearings. Then the hon. Prime Minister got up and he said—I hope

I paraphrase accurately — “The trouble in Eastview stems from expansion.” He said: “That community started from a little French-Canadian community.”

And as he said it, in my mind’s eye, I could almost hear the dip of the Indians’ paddles. I could see—if I stopped to picture it—Radisson and Des Groseilliers holding the keg of rum to trade with the Indians—and their trinkets—and founding that little community.

That was the explanation he made of their trouble! But he left himself “away out.” He said the verdict—

An hon. member: We will have the verdict of the jury of the people.

Mr. Speaker: Order!

Mr. Sopha: And yesterday the people—yesterday they voted. Much to the surprise of the hon. Prime Minister and the hon. Minister of Municipal Affairs (Mr. Warrender), the vote of the people was figuratively the vote of a by-election. The vote that took place in Eastview yesterday was far more important with regard to the record of this government than in Simcoe Centre and Temiskaming.

Interjection by hon. Mr. Robarts.

Mr. Sopha: I did not know the hon. Minister of Education was an authority on municipal affairs. I wonder if any hon. member over there is an authority on municipal affairs. But the long and short of it is that we have the law. The law is imposed, is set out, is formulated by this government, and apparently people are able to disobey that law with impunity, and get away with it. I am cynical enough to suggest that, had the mayor of Eastview been a Liberal, a different result would have taken place after this report was handed to the hon. Minister of Municipal Affairs.

The people of Eastview, through their citizens’ action league—or whatever it is called—made the hon. Minister of Municipal Affairs aware of what had gone wrong.

I read the debates of 1958 where the Ontario municipal board recommended that the bill in relief of Eastview be not passed, and a letter of the hon. Minister of Municipal Affairs wherein he said: “I will ensure that supervision takes place over that municipality.” He said: “We are making improvements to The Department of Municipal Affairs Act which will greatly strengthen our hand in being able to oversee what they do.”

He made a solemn promise to this Legislature that he would take steps to see that the same thing did not happen again—but it happened.

The hon. leader of the Opposition was perfectly right when he said that because the hon. Minister of Municipal Affairs gave that assurance, and he failed to carry it out, he ought to resign. It is a harsh thing for a private member of the House to say. But, when I say this, I have the assurance that history is on my side—that is custom and precedent in every government except this one.

We have also the obligation, sir, in respect of the matters—and I am not going into them—that have been unearthed in Eastview, to urge—nay, sir, not urge, demand—that this government institute some form of inquiry or take some steps to make certain that those who have broken the law are called to the bar of justice.

I want to put in the record a brief extract from Lord Chatham, who was William Pitt, in respect of this very thing:

If any member of this House were to stand up in his place and move to impeach a Minister he would be obliged to charge him with some particular crime or misdemeanour and produce some proof or to show that he was ready to prove the facts, but any gentleman may move for an inquiry without any particular allegation and without offering any proof or declaring what he is ready to prove because the very design of an inquiry is to find out particular facts and particular proofs.

We are called the grand inquest of the nation.

Hon. Mr. Frost: I agree with that.

Mr. Sopha: Therefore, sir, we call upon them to move. We demand that they move to take the necessary steps. Last Friday, the hon. Attorney-General of this province received a letter from a very outstanding law firm in Ottawa, calling upon him to act, and this is Tuesday. This is Tuesday evening and we have yet to hear from this government what they are going to do to ensure that justice is done in Eastview.

Hon. Mr. Roberts: Oh, no. May I answer that immediately, because the hon. member for York South asked a question in this House and I gave an answer. That is exactly the position.

Mr. MacDonald: Well, how long?

Hon. Mr. Roberts: You do not do things overnight. How long—

Mr. MacDonald: The hon. Attorney-General has had this report now for a month. He sat on it for 3 weeks. He goes chasing the shady lady but he will not go chasing a shady Tory. That is the problem.

Mr. Sopha: Mr. Speaker, let us just put on the record, by way of contrast, what happened to the school principal at Renfrew. I do not know what his politics were. The hon. Minister of Mines is not in his seat or he could tell us, because there is no doubt he knows.

The school principal, on Thursday, I believe, was suspected of making defalcation of funds; on Friday the school board dismissed him; on Saturday he was arrested. If the provincial police can move that fast in that case—

Hon. Mr. Roberts: Is there some innuendo? Is the hon. member, on his responsibility as a member, suggesting that somebody ought to be arrested at this moment?

Mr. Sopha: I am suggesting that the hon. Attorney-General has the obligation, having read this report, and having read these clippings from the paper, to institute some form of inquiry to ascertain whether people should be arrested. For some strange reason the hon. Attorney-General of this province has it in his mind that, before anyone can be charged, some private informant has to come forward and lay that charge.

Hon. Mr. Frost: That is not it at all. The hon. member would pervert criminal justice to the ends of politics. That is what he is about.

Mr. Sopha: And the hon. Prime Minister would say that expansion of a community covers any multitude of sins or malfeasance or dereliction of duty, merely because the community has expanded. Any fair reading of the report indicates that something of a grave and serious nature has occurred in Eastview. Any fair reading of the report indicates that action should be taken by the hon. Attorney-General of this province in order to win back public confidence of the ratepayers of Eastview, and to show that criminals do not go unpunished.

Mr. Whicher: One law for the people and another for the Tories.

Mr. Sopha: I am just moved to tell about an incident I had. I have not got the material before me, but I will relate it.

I had a client who was arrested in Sudbury for an offence alleged to have been

committed in Orillia. He was taken by the Orillia police from Sudbury to Orillia. When he got to Orillia two police officers relieved him of the sum of \$100 which he had in his personal possession.

Hon. Mr. Frost: May I say to the hon. member that my recollection of the report—and I read it with some care around November 1, I think it was—suggested that there were two persons who had given testimony whose evidence should be looked into by the hon. Attorney-General.

It had nothing whatever to do with the hon. member for Russell (Mr. Lavergne); nothing whatever. He was not mentioned in regard to it at all.

Again the hon. member is using his talents to slant things; to pervert them and make it appear he is referring to the hon. member for Russell. These matters will be looked at carefully.

An hon. member: When?

Hon. Mr. Frost: They will be looked at in due course; just in the ordinary course of business.

Mr. Speaker, I make this charge to the Opposition, that they would pervert justice to the ends of dirty politics.

Mr. Wintermeyer: Mr. Speaker, the last statement of the hon. Prime Minister certainly casts a personal reflection on every hon. member of the Opposition. I, myself, in speaking for every one, insist that the last statement of the hon. Prime Minister be withdrawn.

Hon. Mr. Frost: Mr. Speaker, I do not want to cast any aspersion on the hon. members opposite; I like them all very much. But the hon. member for Sudbury has shown every indication of perverting the measures of justice. The matter that perhaps led me to make that very broad statement is the fact that the hon. members opposite applauded and therefore I put them in the same boat. If they disagree, then I certainly will withdraw that as regards the hon. members of the Opposition. But I ask the hon. member for Sudbury to tread a little softly in the future.

Interjections by hon. members.

Mr. Sopha: Mr. Speaker, Burke once said:

Those who execute public pecuniary trusts ought of all men to be the most strictly held to their duty.

Hon. Mr. Frost: How about the hon. member himself?

Mr. Sopha: I am not making any implications against anyone. I invite the hon. Prime Minister to read the report. Read the press clippings. I say, and I say again, that all—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Sopha: We will continue to call for some form of inquiry from those responsible on the opposite side, in order to determine whether in fact breaking of the law did occur in Eastview, whether punishment is merited and whether those, if the law was broken, should be brought to the bar of justice. And I will continue to say that.

No distortion by the hon. Ministers on the front benches over there will alter our resolve one iota in that regard. The vote in Eastview yesterday was a vote against the hon. Minister of Municipal Affairs and this government.

We have been talking for a week about the situation in Eastview, and all during that time the hon. member for Russell has not been in his seat on one occasion. I ask, rhetorically, because he might get up to attempt to answer: Where is he when he is not here, when he is not here to speak for himself?

Mr. MacDonald: Running an election, of course.

Mr. Sopha: Apparently it is the last election.

Now, Mr. Speaker, I come to the very final thing that I wish to say but I feel obliged to say it. I feel obliged to say it and I am going to say it. And that is this: The hon. Prime Minister of this province is a man held in the highest esteem by most of the citizens of this province. In fact, I venture to say—

Interjections by hon. members.

Mr. Sopha: I made that statement sincerely. It is a statement of fact which we recognize. In the best Madison Avenue tradition, he has created the image—he is the image—of leadership in this province. He is such an image in this province that he would have Allistair Grossart fairly drool to have him as a subject, because the one Allistair is trying to promote is kind of frayed down there.

What I do object to is this, that the hon.

Prime Minister uses the mantle of his integrity, and has used it, to cover the misdeeds of those around him.

Some Opposition hon. members: Right, right.

Mr. Sopha: And when one of his colleagues is guilty of dereliction of duty—as in the case of Mr. Philip Kelly, in the case of Mr. Greisinger, in the case of Mr. Mapledoram—the hon. Prime Minister used the mantle of his own integrity and the mantle of his own image to drape around them, to cover their misdeeds.

Hon. Mr. Frost: The hon. member brought this up in Temiskaming and they paid no attention to him. Out the window with him.

Mr. Sopha: And when they are guilty of dereliction, he says: "This is a personal affront to me. If anybody criticizes, it is a personal affront to me." He said it the other day, looking at the hon. member for York South. He said: "When you make a charge against any department of this government it hurts me personally."

I object to that and I am going to say so. He has no right to use his mantle, with that high respect with which the people of Ontario hold him, in order to cover up the misdeeds of his fellows. We know—and this is the note I am going to end on—he went up to Port Arthur and to Windsor where he tried to drape the mantle over two men. The people rejected them. And the next thing the people of this province are going to do is catch up with him. Next time, they are going to reject the hon. Prime Minister.

Hon. Mr. Frost: Mr. Speaker, before the next speaker adjourns the debate, may I say to the hon. member opposite that I have never cast a cloak of integrity or anything else over anybody. As a matter of fact, I have never had a cloak to cast over anybody. So I may say, as a matter of personal privilege, that I have not done that.

Further, as a lawyer, as an hon. member of this House, the hon. member for Sudbury should know better than to cast imputations. He clearly imputed that report indicated the hon. member for Russell was subject to certain criminal prosecutions. That, sir, is quite incorrect. It is quite untrue. It is quite out of character with the report itself and the matters contained in it.

Mr. J. H. White (London South): Mr. Speaker, first of all, sir, let me congratulate you—

Hon. Mr. Frost: I would ask the hon. member if he would please move the adjournment of the debate.

Mr. White moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole House.

Motion agreed to.

House in committee; Mr. W. E. Johnston in the chair.

THE LEGISLATIVE ASSEMBLY ACT

House in committee on Bill No. 17, "An Act to amend The Legislative Assembly Act."

Hon. L. M. Frost (Prime Minister): Mr. Chairman, in relation to the amendment, perhaps I might just make this explanation and it will be dealt with in the course of these sections. This is Bill No. 17, "An Act to amend the Legislative Assembly Act."

Mr. Chairman, I make this general statement in relation to this bill, and I think we will then deal with this Act section by section. Yesterday, on second reading, I read what I said would be the subject matter of a resolution that would arise under this Act, or under the sections of this Act if and when the same was passed.

The hon. member for Grey South (Mr. Oliver) asked why the subject matter of such a proposed resolution would not be included as one of the exceptions to section 10. In other words, in the form of subsection (n), I think, to section 10.

Actually, that was a relevant and logical question. As a result, the hon. Attorney-General (Mr. Roberts) and myself had this matter looked into by the law officers. The hon. Attorney-General was out of the city for a large part of today and I, therefore, had the actual onus on myself of discussing the matter with the law officers.

Yesterday I mentioned certain matters which appeared to me to require the validation of the House. These included, for instance, matters relating to payments for herds of cattle destroyed because of tuberculosis; hog subsidy; rabies bounty; agricultural lime. Then there was the matter of The Hospital Services Act, where there are definite contracts with the government or an emanation of government.

In looking into the matter, the law officers

found that this matter can go a very great deal further than that—for instance, rebates for gasoline. I mentioned the agricultural matter of hog subsidies. There is, perhaps, as I mentioned yesterday, the purchase of trees from government nurseries. There is also the rabies indemnity.

Here is a point which, it happens, could affect a great many here. I may say that I cannot think of any occasion, at least within the compass of a great length of time, where it affects me, but it is in the purchase of liquor from a government liquor store. That point has never been raised. I must admit I never considered it myself, but it is a point which might arise under a strict interpretation of the sections of The Assembly Act.

There is also the question of drainage loans, of which there are very many. Then there is the matter of hospital insurance contracts. Another one is this: Hydro services in unorganized districts. Take bounties—wolf bounties and things of that sort. Also there is the possibility that workmen's compensation payments might come into it.

I do not, for a moment, suggest that this is the end of the matter. But the law officers and the hon. Attorney-General worked out, I think, a formula which could be added on to section 10 as one of the accepted items which covers the matter. I think care has been taken to limit it to these things of general application in the province. With that explanation, if the sections are called, I think the matter will become clear.

Section 1 agreed to.

On section 2:

Hon. A. K. Roberts (Attorney-General): Under section 2, Mr. Chairman, I am going to move that section 2 be further amended by adding thereto the following clause. I will read the clause and I would like to make a comment on it. In addition to clause (m) which appears in the printed bill, clause (n) reads:

By reason of his being entitled to receive on terms common to all persons similarly entitled and of his receiving or agreeing to receive in accordance with such entitlement any service or commodity or any refund, rebate, subsidy—

In the draft I sent across there, I had the word "award," but I think that word should not appear at this time. It is too wide a term, perhaps, to include without a good deal of further thought about it. I continue:

—rebate, subsidy, loan or any other such benefit or payment that is authorized under any Act.

I am moving that this be added as subsection (n) and I would point out to the House that under section 9 there is the general prohibition to which we have added those few words at the beginning as appears in section 1 of this bill: "except as authorized by resolution of the assembly."

It is my conception that the resolution of the assembly in the normal course—as was the thinking of the select committee, which recommended this—was to deal with specific rather than omnibus exceptions. However, there is nothing in the wording to prevent an omnibus resolution being passed some time if it was considered advisable to do so.

But there is one word in section 9 and it is a very small word of two letters "o-r," which interpretation of the section can be of monumental importance. It could be even overlooked. At certain stages of the consultations the word "or" was found to mean a tremendous amount. So, for that reason particularly, it is felt necessary to spell out in some detail under (n) further exceptions:

Under section 10, section 10(1) reads:

No person shall be ineligible as a member of the assembly—

I suppose during the years there have been a lot of these exceptions added. For example:

(a) by reason of his being interested as an executor, administrator or trustee only or have some beneficial interest in any contract or agreement in that capacity or
(b) by reason of his being a shareholder or stockholder in an incorporated company having any such contract or agreement unless such contract or agreement is for the building of public work of Ontario, and such building or work has not been let by tender to the lowest bidder.

I recall the hon. member for York South (Mr. MacDonald) asking some general question along the lines of shareholding the other day, but that exception is spelled out and is limited in the way I have just read with respect to shareholders.

Then under (c) there is an exception with respect to the purchase of bonds and investments in government securities where, in that particular type of offering, it is an offering that is on terms common to all persons. That is the qualifying clause there.

Under (d), a miner's licence, a member of this House could purchase a miner's licence and obtain title that way, and under (e) certain newspaper ownership and provision for taking of advertising by the newspaper which is controlled or owned by a member

of the House—that sort of thing is another exception. And then under (f) there are the timber licensees and the right to obtain certain rights as a timber licensee; and under (g) the fishery licensee. Under (h) certain sureties and obligors with respect to an inmate or pupil of a government institution; and (i) certain postmasters. That is rather an old one. I do not know the history of that one, but postmasters in small communities, I presume. And then it goes on to spell out a dozen of them in that way.

And then we come to (m) which was included in this amendment, still further extending those exceptions. This is not exactly an omnibus one, but one that has attempted to gather up a number of things which would seem in themselves to be matters which certainly ought not disqualify a member from taking his seat. And with that approach to the question, this amendment is submitted to the House.

Mr. F. R. Oliver (Grey South): May I ask my hon. friend if this legislation is retroactive at all?

Hon. Mr. Roberts: Yes, I would point out, we will be coming to that section in just a moment. Section 5.

Mr. H. C. Nixon (Brant): Might I ask the question, does this bill cover rights-of-way, and land acquired by highways or where Hydro is coming in and putting poles on people's property where a member might be the owner?

Hon. Mr. Roberts: I would say the answer, if we take out this word "award," would be "no." That type of thing would have to be covered by the resolution provision under section 9—a specific case by a specific resolution.

Mr. P. Manley (Stormont): Mr. Chairman, could not that be included in the bill? I ask, because, quite frequently Hydro does extend lines across this province and the highway, or even a township, or has acquired land to widen the road. For instance, I know of a township at the moment which wants to acquire land to widen a road going through my particular farm. Do I have to come to the Legislature and get a resolution in order to deal with the township?

Hon. Mr. Frost: I think that there is reason in what the hon. member says, but I would like to point out the difficulties.

The law officers knew that with the word "award" in it would meet the situation. Now, perhaps, if this House feels this should be

in, I am satisfied. But the point is this: At the present time I think I can name 3 hon. members who are going to be affected by Hydro expropriation. None of these hon. members is anxious to sell his property but portions of it are being expropriated. It does seem to be sensible to include that.

On the other hand, the reason I suggested to the hon. Attorney-General to take it out was the fact that perhaps "award" might be too broad, and it would be simpler and better if the procedure could be this: The hon. gentlemen here cannot prevent Hydro or The Department of Highways from coming onto their property, but they can come to this House and say, "I have not accepted or made any arrangement or settlement with The Department of Highways." Then such a resolution should be passed. That was the course which seemed to us the better rather than to make the exception too broad. Therefore, we took out the word "award."

I will say that the hon. member presents an almost overwhelmingly logical argument in his suggestion. The great difficulty is this. A matter of an award can be very, very broad—I mean it can involve any sum of money. Therefore it is probably a matter which would be better to come before the assembly in the form of a resolution even if it does cause inconvenience. That was the reason for suggesting that that word be taken out.

Mr. D. C. MacDonald (York South): May I ask the hon. Prime Minister a question? Does not the phrase "common law persons," in relationship to award, provide the necessary protection?

Hon. Mr. Roberts: Does the hon. member mean how far an award might go in a certain case, and perhaps create precedents and so forth? Those are the things, I think, we have to think of in relation to the whole proposition or the original prohibition. It is difficult to bring anything immediately to mind as to how an abuse could occur. But I would say that the officers who have been wrestling with this all day have found this an extremely difficult subsection to work out without adequate satisfactory wording—or without going too far afield. So it might be better to proceed cautiously than to make this so broad that it could be perhaps broader than anybody here really thought it would be, and perhaps do some damage at some time.

Mr. Manley: Mr. Chairman, I want to ask a question. I have Hydro poles that are

established on my farm. The agreement is that Hydro can go in there at any time but if I suffer damage to crops, then they are supposed to pay me for those crops. Does it mean that I have to come here and get a resolution from this House before I can accept damages to my crops when Hydro people come in and cause the damage? I think that is silly.

Hon. Mr. Frost: I would say it would be safer to do that.

Hon. Mr. Roberts: If the payment is specifically authorized by an Act, I think my answer would be that the hon. member probably would not have to, but if he had to get it by means of some award through some tribunal he might have to.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I would bring to your attention the fact that an award does connote some discretion in some persons. It would seem to me that this section should not be expanded to permit the criticism that would result if "award" were left in, and the discretionary power of the person making the award was suggested to be a favour to any member of the Legislature.

Mr. Chairman, what I had in mind is that the section is almost a mechanical operation. The determination of the amount of money to be paid back, except under the word "award," is mechanical, whereas the word "award" would permit discretion. This conceivably would be extended as a favour to a member of the Legislature—a favour that would not be common to all persons.

Hon. Mr. Roberts: I might say, Mr. Chairman, that wherever any hon. member—and these things will be exceptional, I am sure there will not be any large number—wherever any hon. member is in doubt about a matter of this sort, certainly my office would be wide open to him to make inquiry and take advantage of the legal opinion to be obtained there. If there were any questions at all, and it was not a matter of principle being violated, I am sure there would be a recommendation for a resolution to help to clear it at the first opportunity.

Hon. Mr. Frost: I may say, sir, that I was questioning the word "loan" in there. I wondered whether that should be in. The matter arises under the provision of The Tile Drainage Act. Loans are not being made now—they are being made by Ottawa—and therefore it is of common application

in this case. That is the purpose for the word "loans." I did ask the hon. Attorney-General, and I asked law officers, whether that word might be taken out. But again, as I say, those two points are of application at the present time: first, The Tile Drainage Act, which is very widespread in the province, and secondly, the matter of agricultural loans made by Ottawa government. So it had better stay there.

I think it is wise for any hon. member, who feels there is doubt about things, to consult the hon. Attorney General. The matter will be looked into carefully and a ruling given. Then, if a resolution is necessary, that procedure can be taken. I think that is the safer course to be taken.

One of the hon. members in this House—an Opposition member in this case—asked one of the departments for a ruling on that subject. That was a proper course to take. It was one of the matters which helped to draw this to our attention. When we looked at the matter, we found it was as widespread as I have indicated.

Our purpose in this section is to cover all those matters, to cover them now and in the claim before us to make it retroactive, and at the same time not to offend against the real purpose of the Act which is this: That you shall not work for the government, you shall not enter into contracts with the government. Those things refer to things that we all know about.

The matter of working for the government and receiving pay goes back to the days of the family compact and before—the matter of entering into contracts with the government—either expressed or implied contracts with the government. That is the purpose of this Act and I think none of us would want to weaken it.

It is only to deal with these ordinary things which apply to everyone in this province, things which members of the assembly can encounter in the ordinary course of business.

It is quite improper for hon. members, for instance, to sell the government anything. Often, those things can happen and they do happen sometimes by pure mistake.

I remember some years ago one member who ran a considerable business. One of the branches of the business, unknown to himself, sold some axe handles or something to the government, but it was possible to undo the transaction. We have to be careful of that in doing business with the government.

All these matters we are discussing here are things which apply to all our citizens and, therefore, it is not a question of any favour.

It is a matter which runs with the ordinary citizenship of the country.

I think I would leave the word "award" out, it might be too broad.

Section 2 as amended agreed to.

Section 3 agreed to.

On section 4:

Hon. Mr. Roberts: Mr. Chairman, the same amendment would go in there. I would move that section 4 be further amended by adding the following clause:

By reason of his being entitled to receive on terms common to all persons similarly entitled, and of his receiving or agreeing to receive in accordance with such entitlement, any service or commodity or any refund, rebate, subsidy, loan or any other such benefit or payment that is authorized under any Act.

Section 4 as amended agreed to.

On section 5:

Mr. Wintermeyer: May I ask the hon. Attorney-General whether or not section 5 applies strictly to the person of the member or whether it is intended to make applicable the subsection (n) to any act of any member performed prior to this date?

Hon. Mr. Roberts: I think the effect of it, as I am advised by the law officers in the preparation of it, is that their purpose in reading it this way was to make it applicable to any member and with respect to any of the particular acts that would be excepted, so that if this bill becomes effective it would apply to any member, whether heretofore or hereafter elected.

Hon. Mr. Frost: I think the point is this, it refers to a person who has heretofore been elected—I suppose that is everybody here. But does that apply as of, say, January 1, 1955?

Mr. Wintermeyer: Exactly. What about where one of the members has done one of these acts in 1955?

Hon. Mr. Frost: Is the hon. Attorney-General satisfied that is the meaning?

Hon. Mr. Roberts: That is the intention.

Hon. Mr. Frost: I think the point the hon. leader of the Opposition raises is worthy of consideration. There is no doubt about it covering the persons who are elected here and persons who have been elected previously, but does it cover the acts, is that the point? That is an important point.

Mr. Chairman, just while we are waiting for the law officers to look at the matter, may I say that this is the first bill which has come before the committee of the House. It is interesting to notice this: part 2 of the Act is required because this year we have run into a curious situation in that the statutes are being consolidated. Therefore, it is necessary to put in this part 2 of the Act which is really a repetition, I think, in actual words of part 1. We are going to try to avoid too much legislation because of the necessity of putting in those provisions if it is passed in the year 1960, but applying to the session of 1961.

Hon. Mr. Roberts: Perhaps to double-barrel this and put it beyond any question, because I take it to be the purpose of the hon. leader of the Opposition to put it beyond any question—in addition to what appears there, we could amend, and I would be glad to move this amendment if the House wishes me to do so—and add at the end of section 5 the words, "in respect of any act heretofore or hereafter committed."

The section would then read: "section 2—or section 4 as the case may be—applies to every member of the assembly heretofore or hereafter elected in respect of any act heretofore or hereafter committed."

Section 5 as amended agreed to.

Section 6 agreed to.

Section 7 agreed to.

Bill No. 17 reported.

THE REGULATIONS REVISION ACT

House in committee on Bill No. 1, An Act to amend The Regulations Revision Act, 1959.

Section 1 agreed to.

Section 2 agreed to.

Section 3 agreed to.

Bill No. 1 reported.

Hon. Mr. Frost moves that the committee rise and report one bill with amendment and one bill without amendment, and beg leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House reports one bill without amendment, one bill with amendment, and begs leave to sit again.

Report agreed to.

The House resumed, Mr. Speaker in the chair.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, may I remind the House there will be no sessions here tomorrow. The House will be in its various committees as the hon. members have been notified. The House will stand adjourned, therefore, until Thursday at 3 p.m., and the order of business will be as intimated: The estimates of The Department of Energy Resources and Throne debate. At the beginning there will be routine matters, and two third readings can be given at that time. That would be the order of business.

I propose on Friday to proceed with the Throne debate; subject to this I think we

might be able to work in an hour for private members' resolutions or bills.

In view of the fact that I have to proceed next week with the resolution on unemployment, which is a private member's resolution and to which precedence, of course, will be given, I will have to ask the hon. members for a little leeway in connection with these private members' hours. But I know I will receive the fullest co-operation. I may have to waive that hour on Friday in order to work this in on Monday or Tuesday.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 of the clock, p.m.

ERRATA

(December 2, 1960)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
200	2	29f	Change to read: at the old Grace hospital and some houses on Huron and Richmond streets.
201	2	21f	Change to read: I would like to read 3 sections of our general instructions and requirements to contractors.
202	2	50	Change to read: 1,250 urgently needed beds
203	2	30	Change to read: At Kemptville there is a girls' residence at
203	2	39f	Change to read: Also, the boys' training school at Simcoe should be continuing through next winter.









Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, December 8, 1960

Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 8, 1960

3 O'CLOCK P.M.

Mr. Speaker: Orders of the day.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as guests, students from Humewood school, Toronto.

Presenting petitions.

Presenting reports by committees.

Mr. D. H. Morrow from the standing committee on private bills presents the committee's first report which was read as follows and adopted:

Bill No. Pr6, An Act respecting Montreal Trust Company.

Bill No. Pr11, An Act respecting Eno-Scott and Bowne (Brazil) Limited.

Bill No. Pr23, An Act respecting Pickering college.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr24, An Act respecting the Royal Ottawa sanatorium.

Bill No. Pr32 An Act respecting the synod of Toronto and Kingston Glen Mhor camp.

Your committee would recommend that the fees, less the penalties and the actual cost of printing, be remitted on Bill No. Pr23, An Act respecting Pickering college; on Bill No. Pr24, An Act respecting the Royal Ottawa sanatorium, and on Bill No. Pr32, An Act respecting the synod of Toronto and Kingston Glen Mhor camp.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

THE HEALTH INSURANCE ACT, 1960-1961

Mr. T. D. Thomas moves first reading of bill intituled, "The Health Insurance Act, 1960-1961."

Motion agreed to; first reading of the bill.

Mr. V. M. Singer (York Centre): Mr. Speaker, before the orders of the day, I wish to address a question to the hon. Minister of Labour (Mr. Daley) of which notice has been given.

In view of a report carried in the *Toronto Daily Star* of December 8, 1960, and for the further information of the House, this report is carried on page 37 of the metropolitan edition of the *Toronto Daily Star* and is headed "Fears aloof Ontario may cripple job training bill," stating that last year, in October, only 65 unemployed persons were enrolled in job-skill training courses.

Inasmuch as the federal government is willing to pay 75 per cent of the cost, and inasmuch as the federal Department of Labour has asked the provincial government several times to move forward on job training courses, can the hon. Minister of Labour tell us why so little action has been taken so far, and what the government's plans are for the current year?

Hon. C. Daley (Minister of Labour): Mr. Speaker, I appreciate the hon. member letting me have this question. I received it some time around the noon hour, and I have made a few notes and given it a little bit of thought.

I ask the indulgence of the House while I expand the question a little bit and bring in the matter of apprenticeship training as it exists in the province. I think that is closely related to this proposed measure.

I do not know how many people know it, so I want to make it definitely clear that the apprenticeship training scheme, as it exists in this province today, is shared 50 per cent by the federal government. I wanted that to be particularly known. I do not think that everyone knows that. The provincial government pays 50 per cent of the costs and also assumes the matter of administration.

The provincial institute of trades has been set up at the joint expense of the federal and provincial governments. I would like the hon. members to take this opportunity, while they are here, to visit this institute of trades at

Nassau street. I believe it would be very worthwhile to take a little time and see it.

I would also like to invite the hon. members to visit The Department of Labour offices at 8 York street. I do not think too many people appreciate the extent of the duties carried on under The Department of Labour.

The institute is operated by The Department of Education of the province on behalf of The Department of Labour. The courses offered are: specialized training in the construction trades, auto repair trade, and a special course in structural steel drafting. There are other courses such as watch-making and various other crafts taught at the school.

Our responsibility—that is, The Department of Labour's—is to see that these classes are filled with apprentices. Through our district inspection of apprentices, we supervise the young men during their entire period of apprenticeship.

The training of adults, who are unemployed, poses an entirely different problem.

Apprenticeship is aimed at taking young people with a mechanical turn of mind and developing them into skilled tradesmen. There are 3,169 in the construction trade in Ontario.

Strange as it may seem, there are 3,168 in the motor vehicle repair trade. These men train in the various skills to fill the needs of this province in their various capacities.

I have, on many occasions, advised young men who are leaving school and do not have the opportunity of continuing on to higher education, to give very careful consideration to the opportunities afforded by the federal and provincial governments in offering them the opportunity to learn a trade. A trade today is a very good occupation. It provides employment and is much different today than it was a few years ago when a great many of these trades were seasonal. Under the methods of construction today most of these trades are carried on, on a year-round basis.

This apprenticeship training is a long-term continuing process; it is not entirely in the same category as what is proposed here.

As I say, the programme in reference to unemployed persons is a different proposition altogether. It proposes to take some of our semi-skilled and unskilled workers—in which categories most of the unemployed people appear to be—and give them training that will enable them to fit into the ever-changing picture of industrial methods of operation, as it exists today.

This new proposal has been under consideration, I know, by The Department of Education. As a matter of fact, we have a conference arranged for Wednesday morning, next, between the hon. Minister of Education (Mr. Robarts), his advisors and myself and my people, to discuss this thing. I would like to suggest to the hon. member, through you, Mr. Speaker that the hon. Minister of Education be invited to further expand my remarks, because I know he has some knowledge on this question that I do not have. If that would be in order, I will pass this question on to the hon. Minister of Education.

Mr. Singer: We will be very happy to get as much information as we can, Mr. Speaker.

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, it was, and still is, my intention to develop this whole question a little more fully when what is referred to as the unemployment debate is resumed, which is order No. 14 on the order paper. At that time I will give the House more details.

In answer to the specific question, during the present year The Department of Education has entered into negotiation with committees and has assisted in the setting up of committees in Windsor, Brantford, Cornwall, St. Catharines and Elliot Lake, with a view to establishing courses there under this schedule M, as it is called, and to retrain unemployed.

All these arrangements, as I mentioned, have been made in the year 1960, and I gather that the report to which the hon. member refers is a report of something of the situation in October of last year. In any event, what I am referring to has been done in this present year.

Our future plans envisage the setting up of similar committees in other communities, where it appears feasible, in order to provide training for unemployed. I might say that we had a conference here—I forget the exact date but I think it was in September—with the federal hon. Minister of Labour (Mr. Starr), and various members of his department, to deal with this whole question. At that time, they pointed out to us what was being done in the west.

I have had two officials from my department in western Canada. They got back late last night, having examined what has been done under schedule M in the west and seeing if any methods that they have developed there would be applicable to our situation in Ontario. However, our industrial setup is so different here than in

the other provinces, perhaps it will be difficult for us to follow a similar course. In any event, all that information will be examined and analyzed with a view to applying it here if possible.

Mr. Singer: Mr. Speaker, I want to thank both of the hon. Ministers for their answers, but I do not think they are really the answers to the question I posed.

While I understand what The Department of Labour has been trying to do in its apprenticeship courses, the hon. Minister knows that I exchanged some correspondence with him during this summer and I pointed out—and I think he agreed with me or rather indicates that he agreed with me—that we were not really accomplishing very much when apprenticeship courses were cut off at the age of 21. I did not want to quote at great length, Mr. Speaker, from the question, but to get—

Mr. Speaker: The member must know that he asked his question and got the answer. A supplementary question is allowed now, but not a long statement on the same subject.

Mr. Singer: Yes, Mr. Speaker. To pose a supplementary question in the most lucid manner let me just quote a few sentences from this article:

Last year Ontario missed out on 75 per cent unemployment grants and training grants. It will again miss this year. The grants are paid when a province provides man days of training equal to 3.5 per cent of its adult population. Last year the province provided about 1,500 man days, about one one-hundredth of the—

Interjections by several hon. members.

Mr. Speaker: Order! I would ask the member to keep this information for some other occasion to present to the House.

Mr. Singer: Mr. Speaker, the question is: Why has this taken place? These facts have not been denied.

Mr. Speaker: Orders of the day.

Mr. A. F. Thompson (Dovercourt): May I ask a supplementary question, Mr. Speaker, of the hon. Minister of Labour? I would like to know if this is the first time that The Department of Labour and The Department of Education are going to get together with respect to the unemployment question. Is this the first conference that they have had with respect to the unemployed?

Hon. Mr. Roberts: Did the hon. member give us notice of that one? That is a supplementary question.

Hon. Mr. Daley: The answer is no.

Mr. Thompson: The hon. Ministers have never had a conference prior to this? I do not want to comment on it, but I would say it is pretty shocking in view of the unemployment situation.

Mr. L. Troy (Nipissing): Mr. Speaker, I would like to ask a supplementary question of the hon. Minister of Labour also in regard to the institute of trades. Does that institution admit other than apprentices, or must you be an apprentice in industry before you can be a student at that institute?

Hon. Mr. Daley: Oh yes, you must be an apprentice, you must have—

Interjection by an hon. member.

Hon. Mr. Daley: Oh no, not the night school, no!

Mr. Troy: Is there no opportunity then in that institute for any youngsters to get training in the great number of trades other than through industry?

Hon. Mr. Daley: They must be indentured as apprentices.

Mr. D. C. MacDonald (York South): I am just informing the House there are special courses like barbers' courses which are not apprenticeships in the normal sense in which they pay a special fee in addition to the apprenticeship. I guess we should all go over and visit the institution and find out what is happening there.

Hon. Mr. Daley: Yes, the hon. member should!

Mr. MacDonald: I have been there. I was there last week.

Hon. Mr. Daley: Oh, I know. I know where the hon. member is every day.

Mr. Troy: Is there any assistance given to these students; particularly as barbers? I know it is a very expensive proposition for a youngster from out of the city of Toronto. It costs about \$1,000 to become a barber. Is there any help given to students?

Hon. Mr. Daley: Private organizations give help.

Mr. Speaker: Orders of the day.

Mr. J. Gould (Bracondale): Before the orders of the day, if I may be permitted, I would like to mention a matter of interest to the House. This was called to my attention, and I would like to call the fact to the attention of the hon. members of this House.

There are present with us this afternoon a group of women from Toronto known as the cradle service group. These women have given their time and efforts to worthy charitable causes, and I ask you, Mr. Speaker, that this group be now given recognition.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, in outlining the programme for this afternoon and evening, I think it is understood that there is a night session tonight. It is intended to call the estimates of The Department of Energy Resources and to discuss them. An arrangement has been made between the hon. Prime Minister (Mr. Frost) and the hon. leader of the Opposition (Mr. Wintermeyer)—who are in Kitchener attending the funeral of the late Louis Breithaupt, former Lieutenant-Governor of this province—that discussion having to do with Hydro would be left over until the evening.

If there is time following the presentation of the estimates of The Department of Energy Resources we will call the order of debate on the Throne speech.

THIRD READINGS

The following bills were given third reading, upon motion:

Bill No. 1, An Act to amend The Regulations Revision Act, 1959.

Bill No. 17, An Act to amend The Legislative Assembly Act.

The House, upon order, resolved itself into the committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF ENERGY RESOURCES

Hon. R. Macaulay (Minister of Energy Resources): Mr. Chairman, in rising to present the estimates of The Department of Energy Resources, I would wish to repeat what has been said by the hon. Provincial Treasurer (Mr. Allan). Today it was anticipated we would deal with, first, the estimates of The Department of Energy Resources, and following the return to the House would then discuss the reports which were tabled several days ago in relation to Ontario Hydro.

Therefore this afternoon, if it meets with the pleasure of the House, we will discuss the estimates of The Department of Energy Resources and, assuming we finish in time for the evening break, this evening could then be devoted to the report of The Ontario Hydro-Electric Power Commission.

Mr. Chairman, I present to the House now the estimates of The Department of Energy Resources for the coming year, 1960-1961.

I would be remiss, sir, in addressing myself to this matter, if I first did not make some reference to the small, compact, but able staff developed in The Department of Energy Resources and who are now directed by the Deputy Minister, Mr. Clarkson.

I referred last year in the estimates of this same department to what I felt was the signal honour that had been done to the government in the acquisition—if that is the proper word—of a Deputy Minister who is one of the outstanding authorities on energy resources in the country. He is sufficiently well recognized in his own field that he has been invited to a number of countries both in Europe and in South America to present reports and papers in relation to energy resources. He has been a very great source of strength to me in this last year of establishing the department and reorganizing The Department of Energy Resources. I wish to indicate to the House my deep gratitude to him as well as to the able group of men he is developing around him.

We will also have this afternoon for the first time, Mr. Chairman, all of the inspectors of The Department of Energy Resources here in the Legislature. They happen to be in the city of Toronto attending a refresher and training course which the department is conducting for its inspectors. They will be here some time in the neighbourhood of 4 o'clock, and I will then make more thorough reference to them.

These are men who work in the service of this Legislature, and I would like to have the opportunity of presenting them to it.

Mr. Chairman, I would like to make some very short reference to the resources of the province of Ontario in terms of energy. These are very important. In terms of the future of man, energy is—outside of morality—perhaps the single most important ingredient of the world. Because where there are cheap and abundant resources of energy there is a high standard of living; where energy is expensive and scarce there is indeed a low standard of living.

But perhaps even more than that, from the energy resources available to man today, is

arising man's own capacity to do two things—one, to destroy man in quantity and the other perhaps to direct his own evolution.

The significance of energy apart from its beneficial qualities can perhaps be drawn to the attention of this House when I say that in World War II all of the Allies dropped 2 million tons of TNT. Today, one hydrogen bomb is equal to somewhere in the neighbourhood of 15 million tons of TNT. One hydrogen bomb has the capacity to cause some 7 times all of the destruction which was wrought in the last world war.

Now, Mr. Chairman, in relation to the energy resources of this province, I would like to refer to them in this way.

In terms of coal: In this province we have no resources at all with one exception, a minor brown coal deposit of low b t u content unfavourably located in the ground near Onakawana, south of Moosonee. This coal may ultimately be utilized to the advantage of the development of this part of the province—the northern part of the province—when the Belcher iron ore deposits and the seaport at Moosonee are developed. Then it will be possible to carry the Belcher iron ore from the top portion of Hudson Bay to Moosonee where it can be smelted. Perhaps the brown coal at Onakawana can be used for this purpose and the more refined product carried south on the enlarged line of the Ontario Northland Railway.

In any event, to summarize in relation to coal: This province has no coal reserves of its own and must import all of its coal either from other places in this country or from the United States.

Second, in terms of oil: This province has some resources of oil. It uses approximately 100 million barrels of oil a year; it produces approximately 1 million barrels. Therefore, we have in our own province something in the neighbourhood of a 3-day supply. Oil production in Ontario is slightly up this year over last year and considerable energy is being devoted to the development of oil supplies by the number of companies interested in it. This is a large industry and means many millions of dollars to this province, not only to our gross national product but particularly to the gross product of this province. In any event, we produce 3 days of our 365 days' supply. We must buy the rest.

In terms of electricity: We use, in this province, somewhere in the neighbourhood of 6.1 million kw of electricity. Of that, we manufacture or generate all but 600,000 kw. Thus we must purchase 600,000 kw and we have of our own 5.5 million kw of electricity.

In this area, I think, it amounts to about 330-some days of electricity which we are able to generate in our own province.

In terms of gas: In this province last year the figures are in the neighbourhood of 100 billion cubic feet, of which this province produces something in the neighbourhood of 16 billion cubic feet. We produce something like 15 per cent—12 per cent to 15 per cent—of our own needs.

Mr. Chairman, the most significant factor in relation to energy today is that in 1960, in Ontario, we are capable of producing about 12 per cent of all of the energy this province uses. We must import something in the neighbourhood of 88 per cent.

By 1970 the energy study branch of The Department of Energy Resources estimates we will have reduced our self-sufficiency to a figure in the neighbourhood of 8.5 per cent in terms of our energy resources.

Turning particularly to the administration of the department and some of the industries associated with it—but leaving aside at the moment the Hydro-Electric Power Commission of Ontario—we anticipate that, in 1961, the year that we are about to enter, the gas utility companies will employ and spend on expansion in this province something in the neighbourhood of \$35 million. We anticipate also that the oil companies will expand something in the neighbourhood of \$15 million, making a total of \$50 million between the gas and oil companies.

The synthetic rubber industry—which is really an aspect of the chemical industry—we anticipate will spend in the neighbourhood of \$10 million and the benzene, plastic and other associated industries something in the neighbourhood of \$10 million.

In terms of capital expansion for Ontario Hydro, in the coming year, although the budget has not yet been struck and the year is not yet ended, we anticipate something in the neighbourhood of \$150 million. There are many programmes under way in terms of the energy-producing resources of Hydro to which I will refer tonight.

Some of the most significant, however, are the development of the Lakeview generating station, which is said by many to be—or that it will be—the largest of its kind in the world when it is completed; the Otter Rapids generating station; the Thunder Bay generating station at the head of the lakes; CANDU, the first nuclear generating station in Canada—or rather, the second. The first is M.P.D.2—which will come into operation in the summer of 1961. Lastly, we have a very large development in the Little Long

Rapids area to which I will make reference this evening.

Another aspect of development in terms of energy in this province, Mr. Chairman, is the amount of investment which is made by companies and organizations in research and development. From research and development come increased fuel efficiency and this in turn has a significant influence upon costs and our ability to compete.

The steel companies, for example, are experimenting with gas and oil in firing their blast furnaces. New equipment and methods are being used to increase efficiency, and with increased steel efficiency comes a greater ability to compete in the foreign market.

One of the most fundamental ways of improving the capacity of the industries in this province, a matter to which we have all directed attention in the debate which has taken place in connection with unemployment so far, is related to fuel costs, because they are not by any means insignificant. They are of immense importance; they permit an industry to compete more favourably in foreign markets.

Mr. Chairman, although I may appear to be hopping amongst a number of energy resources, I would like to make some reference to the uranium industry and the field of nuclear energy apart from the production of electricity—to which I will make reference this evening. We had a debate in this House last year, Mr. Chairman—you may recall—dealing with uranium and nuclear energy.

Although a word or two which I would like to place before the House today will touch upon some of the statements which we discussed generally at that time, I would like to review for a minute or two a little of the background in relation to uranium.

In 1956 Great Britain and the United States entered into contract to purchase the total uranium production of this country. These contracts were to expire in 1962 and 1963. Last year, in the fall—I think it was in November—Great Britain and the United States gave notice to Canada that they did not intend to extend their contract beyond 1962-1963.

Now this was a very serious matter for the uranium industry which had come into being on the basis of those uranium contracts. The total production of uranium in Canada had built itself up to something in the neighbourhood of 15,000 tons.

This was a very serious blow, representing about \$245 million a year in export for this province, which is a very sizeable dollar value, and a very important mining industry

to this country and particularly to this province.

The total production of this industry in Canada is in the neighbourhood of 15,000 tons and all but a few hundred tons of this is exported. Very little of it is used in this country for reasons which I discussed with the House last year.

Therefore, when the notice came to this country that these countries—Great Britain and the United States—did not intend to extend these contracts beyond 1963, the uranium mines were faced with a situation which was very similar, as was pointed out by the hon. member for York South (Mr. MacDonald) last year, to the position in which the nickel industry found itself at the end of World War I when, with the treaty of Versailles and the disarmament programme, armaments were out. Up to that time nickel had been used predominantly for armaments. The industry was faced with the prospect of closing entirely.

Now with regard to uranium, immediately we received notification that Great Britain and the United States did not intend to extend these contracts beyond 1962 and 1963, the government of the province of Ontario called the first Canadian conference on uranium and atomic energy. This was held in January of 1960 at Toronto. Delegates came from all over the world.

I am happy to say that 3 results came from that conference, to which a number of hon. members in this House were kind enough to refer last year. The first—possibly it is the most important—was that the people of Canada became realistically aware of the problem of marketing uranium and nuclear energy, and the fact that civilian demand for uranium would not strengthen very much before 1970.

From our own point of view as administrators of a department—and a very small department at that with a small budget which I hope the House will feel has been well used during the year—two significant results came of this conference. They were the establishment of the Canadian nuclear association and the Canadian uranium research foundation.

The Canadian nuclear association was organized to assist the industry by pushing trade interests to find new uses for nuclear energy; to disseminate realistic information on which to base management decisions; to encourage co-operation and interchange of views among nuclear industries, Canadian mining companies, government departments and agencies and the general public. The

membership is growing rapidly and the association is in full swing.

The president of the association is Mr. Ian F. MacRae, who is the chairman of the board of the Canadian General Electric Company. Honour was done to this Legislature by appointing the Minister of Energy Resources his vice-president. The directors are drawn from across this continent.

They are: Mr. B. A. Avery, who is the vice-president and general manager of Orenda Engines; Mr. S. M. Blair, who is the president of Canadian Bechtel Limited; Mr. W. M. Gilchrist, who is the president of Eldorado Mining and Refining Limited; Mr. Grauer, who is chairman and president of British Columbia Electric Company Limited; hon. Donald Harper, who is the chairman of the New Brunswick Electric Power Commission; Mr. Jean Claude Lessard, president of the Quebec Hydro-Electric Commission; Mr. W. R. McLachlan, vice-president of Canadian Westinghouse Limited; Mr. Stephen B. Roman, president of Dennison Mines Limited; Mr. G. I. Staber, general manager of A.M.F. Atomic (Canada) Limited; Mr. D. M. Stephens, chairman of the Manitoba Hydro-Electric Board; hon. Robert Winters, president of Rio Tinto; and Dr. J. W. T. Spinks, president of the University of Saskatchewan.

That then, Mr. Chairman, is some indication of the purpose which this conference served in the creation of the Canadian nuclear association; a most valuable association I hope. Its objectives are set out in a small pamphlet which it has published, and if any hon. members of the House are interested, I would be happy to send copies to them.

The hon. Prime Minister (Mr. Frost) referred to the fact that I could not be here next Tuesday and Thursday. The reason is that I am representing this association at a nuclear energy conference, being held in California, which is important to this department and I believe to this House. It is necessary to send someone to it, and as I am in the association, it was felt that perhaps I should go, rather than someone else in the department.

The second result of this conference—the first being the Canadian nuclear association—was the formation of the Canadian uranium research foundation. This was a foundation organized by the uranium mining industry, which will finance and direct approximately \$1.25 million worth of research over the next few years. Much of this research will be done by the Ontario research foundation here in Toronto.

It was announced yesterday in the House of Commons by the federal hon. Minister of Mines (Mr. Comtois), that an exclusive Canadian metallurgical process for using uranium as an alloy, and for strengthening steel, had been patented and is now available to the steel industry.

I made reference to this development, Mr. Chairman, in reply to the hon. member for York South and other hon. members in this House, last year, following the conference on uranium and atomic energy. This reference was made on February 16, on page 417 of *Hansard*. I will not repeat it, but hon. members who have come to the House more recently might be interested in this subject and pursue it. There were a number of speeches given in this House in connection with it.

The process, Mr. Chairman, to which the federal hon. Minister of Mines has referred, is one of adding an amount of refined uranium to steel. The result will improve the strength of steel and, I believe, its resistance to corrosion as well as improving its properties at high temperature. This can have a very important role, not only in the industrial progress of this country—but also, and perhaps more particularly—in the uranium industry itself.

A great deal of hope is held for these processes, Mr. Chairman, but by no means do these, to which the federal hon. Minister referred, close the field to further development. In fact, the government through the Ontario research foundation is investigating the introduction of uranium as a getter and scavenger for steel. This is an important process and, if it is successful, will have a very beneficial effect upon the industry.

Uranium will be used in that way to pick up carbon, sulphur, oxygen and nitrogen.

The Ontario research foundation is currently investigating the use of lithium for this purpose, using 50 and 500 pound batches of steel melted in a pilot induction furnace. In addition, Mr. Chairman, we are studying the potential use of uranium involving equilibrium studies of high iron and of uranium and of the iron carbon diagram.

These are uses, in short, to which uranium can be put in specialized fields of the steel and other industries; uses which have been, up to this stage, unknown to us because of the problems involved in uranium itself and in its capabilities in terms of industry.

These are basic studies, Mr. Chairman, to provide information which will supplement the present studies of the uranium foundation and will point the way to further utilization of

uranium in steel. There will also be consideration of the effect of small additions of uranium on corrosion resistance of metal, in order to reduce pitting corrosion and, in addition, the effect of uranium additions to nichrome on the adherence of protective oxide scale.

These matters to which I refer, Mr. Chairman, are in relation to uranium as a metal. Uranium will also be investigated in this same process of support, by this government, of the Ontario research foundation. Further investigation will be as made for oxide that can be used as a fining agent for glass. Studies will be made in relation to yellow coatings for roofing granules and other ceramic uses for uranium oxide, perhaps as a major constituent for very special glasses for defence purposes.

These are but some of the uses, Mr. Chairman, into which further research will go in order to enlarge the markets for uranium in this country and particularly as they pertain to this province. If they are successful, and they are accepted in the industries in which they can be used, the prospects for the future use of the uranium industry are very encouraging, quite apart from the normal development in terms of medicine, agriculture, industry and the development of power from nuclear energy.

Most of the research is not designed to supplant other additives in steel, but to add to them; to give properties to steel and other products which they do not now possess.

I can only say again that the uranium industry is facing very much the same financial and marketing circumstances that were faced by the nickel industry after the end of World War I when it looked as if there would be no market for the nickel industry whatsoever.

The nickel industry took up the challenge and found ways and means of introducing nickel into steel and new products abound now with the use of nickel. The result is that the nickel industry is a thriving, vital and productive one. We expect, in this province, that the uranium industry will—with patience, with research and with determination—rise to an eminent position in the economy of this great country.

Mr. Chairman, turning more specifically to The Department of Energy Resources, as to its administration I would like to give some indication to the House that The Energy Act which the House passed last year in this Legislature came into force on September 1 this year. I need not take the time of the House describing the difficulties in intro-

ducing this legislation sooner than this—but there were many. There was the problem of space and of staff and other things related to them.

We overcame as many of these as we could by September 1, and we have now had 2 or 3 months in operation under the present Act. In that connection, I would like to make reference to the following:

First, the problem that Mr. Clarkson and I, and the rest of us in the department faced, was a question of reorganization, which we are still undertaking, because we took over the Ontario fuel board's personnel and left the Ontario fuel board, as such, to become the Ontario energy board. There were a number of problems related to it. We are now spread out in 3 areas, unfortunately. We have offices on the ground floor of the main old Parliament buildings; we have the energy board located at 790 Bay street—which is the corner of College and Bay—and the energy department proper. Its inspection staff, its energies studies branch and so forth, are going to be located at 42 Charles street east next week. This has involved a number of difficult problems.

To give some indication to the House of the size of the department, it consists of 80 people and it really has 4 basic branches: Its administrative side, which is located for the most part on the ground floor of this building, the inspection branches—

I would point out to the hon. members that the inspectors who represent The Department of Energy Resources on behalf of this Legislature, and on behalf of the people of the province of Ontario have come into the Speaker's gallery and I would like the hon. members to see them. They are very fine men indeed.

The third branch of the department is the energy board itself, and the fourth is a small group of persons who do research for the department and for this Legislature in terms of energy resources to which I will be making reference shortly.

Mr. Chairman, there are a number of gas codes in this province. The two most important ones I have in my hand are extremely technical; very involved. This department has spent a great deal of time in rewriting and reorganizing both of these codes.

I stress that there are a number of codes but there are two basic codes to which I will make reference. The first is the transmission code, up to the meter in the building, and the second is the code dealing with the distribution of gas inside the building, after

it has gone through the meter. The "inside code," as it is referred to, is now being revised and rewritten. It is a tremendously complicated problem for this reason.

Although this House in a committee has said it is not fond of what is called "incorporation by reference"—that is to say, you pass a section and it refers to another Act of another Legislature or another jurisdiction—there is a great problem involved.

It is that these pieces of legislation which are adopted here are so complicated and so involved that, were the regulations that predominate in the industry in Canada and the United States to be collected and re-enacted and reprinted in one form, by the time the printer had finished—with a volume about as thick as I indicate—many of them would be out of print.

However, we are trying to deal with that. We have an "inside code" which we believe is the best in the country—the best in North America in fact—carried on and supported, we believe, by the very finest of men in the inspection branch. But even so, this code is being rewritten and will be republished in the next few months.

We published last year—January, was it?—the "outside code," which I have here in my hand. It has been copied—or is in the process, I am advised, of being copied—in many of the provinces of this country and by some of the states in the United States. But we are not satisfied with it and we have a committee which is studying both of these codes constantly for revision.

Mr. Chairman, I think one would be quite remiss, in my position, if one did not make some reference to the most unfortunate explosion which took place in Windsor some weeks ago, in which a number of people were killed and others were injured.

This was a most unfortunate event. I can only say, as I said when I went to Windsor at the time—although this was in anticipation of the findings of the jury—that I was confident the codes of this province were adequate, in fact, more than adequate. I believe at that time if the codes had been abided by, had been followed, had not been broken violently in at least one place, if not more—3, I think, including our Act—there would have been no need for this explosion.

The jury has since confirmed that, and in line with the recommendations of the jury, we are obtaining copies of the transcript of the evidence. This transcript will be reviewed with two purposes in mind:

One, for consultation with The Attorney-

General's Department as to whether any charges will be laid by his department. If they are, the greater will include the lesser, in which case the criminal charge would obviously include the statutory charge.

But, if The Attorney-General's Department comes to the conclusion there is not sufficient evidence that a criminal charge should be laid, then The Department of Energy Resources will also study the evidence to see whether charges should be laid under the Act of this department.

If there is evidence that such exists, the charges will be laid. I so said when I was in Windsor and I also said that I intended, as the representative of this House in terms of the gas industry, to see that the law that this Legislature has passed, and the regulations in connection therewith, are adhered to.

In addition, Mr. Chairman, to the two codes to which I have made reference, the inside code, which is the green book, and the outside code, which is a blue book, we are in the process of producing an additional code for propane. This has been covered to date, but we want to have our own code. We want to make some changes and we will be publishing a propane code, and this will obtain particularly in northern Ontario.

The jury in Windsor made reference to explosimeters and the suggestion that, perhaps, purging should be done by a hose to the outside of the building; that the buildings to which the public are admitted should be connected up only during off hours; that there should be perhaps a seal on a line which has been connected but has not been purged; and that consideration should be given to the fact that only the company—that is the distributor—should purge or turn on gas. As soon as we have the transcript we will be studying the recommendations as well as the evidence to see which one of these recommendations—or all of them—should be implemented.

I say again with complete and absolute determination that this industry shall be as safe as it is possible, knowing the human frailties of people.

Mr. Chairman, during the coming year we are planning to review our inspection services in terms of natural gas and, in fact, the other inspection services of the department. That is one of the reasons why these gentlemen have come to Toronto for this 3-day conference, and are here now. Actually, it is a matter of the sheerest coincidence that these estimates are on at the time that these gentlemen are here, but I am glad to have them here to have some understanding of, and to

see, the Legislature which has passed the laws they have the responsibility of administering.

We have, in the province and in the department, 35 inspectors. Last year, they travelled more than 500,000 miles and made more than 30,000 inspections. It is our intention, nevertheless, to review the operations of the inspection department and the responsibilities of these gentlemen, and to make sure that they are aware of the constantly changing complexion of the industry, the codes and the regulations associated with it. It may be necessary to employ additional inspectors.

In any event, we are going to keep this problem under constant review. That is one of the reasons why this first of a number of conferences is being held.

We also intend to establish a small engineering group for special projects and special requirements.

Mr. Chairman, this is no small or easy task, for this reason, that a very few years ago this province was distributing something in the neighbourhood of 14 billion cubic feet. This year it will be something like 100 billion or 105 billion cubic feet. And in 7, 8 or 9 years—likely by 1970—it will be something in the order of 300 billion cubic feet. This is a tremendous increase.

Today, there are approximately, in this province, 500,000 customers of natural gas. There are somewhere in the neighbourhood of 450,000 domestic customers; in the neighbourhood of 35,000 commercial customers and 4,500 industrial customers. Altogether 500,000.

The law requires a re-inspection of every one of these installations every 3 years, which means something like 165,000 inspections there alone if nothing was added.

In addition to that, something like 50,000 new connections are made each year, which means, therefore, that there are now over 210,000 inspections, without taking into consideration the number of persons who add a single item to a supply of gas which they already have in their home.

So we are talking about inspections in the neighbourhood of 350,000, or 400,000 in a year.

Some of these may last but a few moments in order to connect up. Some can be protracted over a day or two. The problems—and I think one has to face them—of the inspection staff in connection with the installation of gas are major ones—problems which cannot be taken lightly and problems which I hope this House will feel have been attended to by this department.

I do not pretend for a moment, and I did not when I was here a year ago, say it is perfect. I maintained before the energy committee it was as perfect as we could make it at the time, and if other events took place, or this House felt so inclined, or the energy committee made recommendations for further additions—apart from these gentlemen with whom I have the pleasure to work—we would make those regulations and we would make those changes.

By no means have I any hesitation in saying to this House that, if we have made any errors or we have fallen short of the mark hon. members expected of me or of the department, I would expect them to say so. I can only say that I have the most sincere desire to serve the industry in this province, as do the persons with whom I am associated.

In order that the Legislature can keep the industry informed of the things which it desires in the industry itself, and in order that the industry can bring its problems to the Legislature through the department, we wish to announce today the formation of the Ontario gas council. We may change this name but at the moment it will do.

It consists of representatives of the gas utilities, the liquefied petroleum gas industries, and The Department of Energy Resources. We will be including in that, I think in due course, our relations with the municipalities.

In this connection, we have been working on a great many different subjects. One, as I mentioned to the hon. member for Oshawa (Mr. Thomas) who is not in his seat, is a model bylaw in relation to municipalities. This is something of importance to them, but it is something which cannot be brought about overnight and which we are attempting to bring to the attention of the municipalities and to co-operate with them. We are confident that we will have their assistance in this.

This council is also designed to improve our relations with the industry itself, so that they can understand the point of view of this Legislature and its desire to act fairly and justly on behalf of the consuming public.

Mr. Chairman, in relation to lake drilling, a matter of great interest to a number of hon. members in this House—particularly those hon. members who live in the peninsula area surrounding Lake Erie and Lake St. Clair and those bordering on Lake Huron—I have a progress report only, which I would like to table.

This progress report has been filed by the Langford committee composed of 3 eminent geologists who were appointed, last spring,

to investigate and report to this House upon a number of matters relating to drilling, production, oil storage, spacing and so forth.

The report of the committee is simply to report progress and to indicate that there is hope that the report will be finalized or completed by January. I cannot assure the House that this will be so, but when it is available, I will have the pleasure of discussing it with the Legislature.

At the moment, the report consists of very little more—in fact, nothing more—than a description of where it has been, what it has done, and what its obligations are. It makes, at this stage, no findings and, therefore, I have not distributed anything to the hon. members individually, but I have tabled a copy of the report.

This committee, Mr. Chairman, has held hearings in a number of cities in the province of Ontario on notice, and before them have come a great many people with briefs and evidence relating to drilling. This committee has been said to be one sitting in connection with lake drilling. But it is concerned not only with lake drilling and not only with Lake Erie, but with all of the Great Lakes and with the matter also of drilling and production of oil and gas on land.

I am hoping that from this committee will come recommendations which this House will find useful and which, when implemented, will be of value not only to our industry, but also to our people.

I say to the hon. members, Mr. Chairman, it is impossible that a small department, such as The Department of Energy Resources, should be able to solve all of the problems that it wishes to attend to at one time. We have been hampered because of the unavailability of space. We have therefore been unable to take on the staff we have needed to get up to our proper number.

But the space is now coming available in a matter of a week or so, and we will be filling out our plans and proceeding with a number of the problems to which we are anxious to direct our attention. For one thing we wish to study the problems of old leases—that is, leases that have existed for many years, and seem to have no termination date. This is a subject which has been under some review by the Langford committee and something that the department has been unable to get to because of the shortage of personnel; but something that is very important.

The importance of gas storage itself is a subject which is being considered by the Langford committee and which must also

be studied by our department when their report comes in. This is a matter of the greatest significance to this province and I believe that in due course—and I cannot say more than this at the moment—there will be some pronouncement of very great importance in connection with gas storage.

We are anxious to study the problems relating to old wells and the small producers. We want them to understand that we are interested in their problems and will, we hope, get to the sites this coming year. We are anxious to tackle and to solve the problems relating to spacing and pooling regulations. These are very important. From the point of view of conservation, there should not be an unnecessary, unreasonable or improper withdrawal of a natural resource, whereas at the same time there should be an equitable distribution of any revenue arising therefrom.

Mr. Chairman, the department also has a small branch which we call the energy studies branch and we have prepared a number of important—I hope they will be felt to be important—reports which we expect to be publishing and distributing very shortly to the hon. members, the industry, and the public generally.

One is something which I think will be interesting to everyone. It is entitled “An analysis of the origin of Ontario’s energy supply.” It is an interesting document and it has some realistic and real value. The second one is “The historical energy statistics of Ontario” which will be of more particular interest to persons doing research in the industry. Both of these will be available in a short time.

This energy studies branch, Mr. Chairman, apart from publishing papers as a result of its own research, carries out special studies and investigations, some of which I have related in terms of problems which we have yet to solve.

We are confident that a number of these studies will lead to a more economic use of the fuel and energy absorbed by our industries, and this will enable our industries to become ever more competitive—which is of course one of the prime purposes in today’s struggle for markets.

Mr. Chairman, there are a number of other isolated matters to which I would like to make reference, all of which are of some considerable importance.

First, I would like to make some reference to the large and important rate hearing which is in progress. In the last year the Ontario energy board has entertained some 76

or 77 hearings. It has heard some 11 franchise agreements; some 5 certificates for public convenience and necessity; 26 rate hearings of which 11 were for the reduction of rates; 28 hearings for leave to construct; 3 hearings involving expropriation; 1 involving a secondary recovery order; and 2 involving gas storage orders. There have, as I say, been 11 reductions of rates in the last year at hearings in connection therewith.

The board is presently engaged on the first major rate hearing, namely that of the Consumers' Gas Company, one of the largest utilities in the province serving 92 communities and having in excess of 200,000 customers. These hearings got under way on September 28 last, and at the present time the board is under adjournment in order that the company may prepare certain specific additional information and data required by the board. This is to supplement the material already filed. The hearing will resume, I expect, on December 15.

To date the only testimony in the rate case—and it is an extremely large and very important one—has been given by the applicant's witnesses who have been cross-examined to a degree. But it is anticipated that more witnesses will be called to give evidence before the hearing is concluded—in fact I would think many more.

A number of exhibits have been filed. A large one I have had a look at amounts to 275 pages of evidence and is the chief submission of the company. To date the transcript of the evidence covers more than 300 pages. I would think it would reach 1,500 or 2,000 pages before it is finished.

Much research work is presently being carried on by the board and its staff in examination of the financial statements, the accounting procedures, and the exhibits which have been submitted in support of the application.

The board and its staff are also engaged in a study of rate cases before regulatory boards, commissions and appeal courts, both in Canada and the United States.

The Consumers' Gas Company rate hearing is unique in that the company was established over 110 years ago. It was originally a distributor of manufactured gas and it was designed and operated as such and in 1955 turned to the distribution of natural gas. Prior to that time the distribution of natural gas had not been under the provincial government regulation.

In 1955 the government's distribution system was converted to natural gas and at that time the company's rates came under

provincial government control. It will be early in 1961 before the board can hope to complete its intensive and extensive study and research and hand down a decision in this very complex case.

I would like to make reference to some of the responsibilities in relation to the Ontario energy board. First of all, the board has responsibility for major hearings in relation to rate cases and matters which are referred to it by the department.

In addition there are other subjects which by the legislation itself come before the energy board. I indicated to the House last year who the members of the board were. It is headed by Mr. Crozier, a geologist of many years of experience. Other members are Mr. Wingfelder, Professor Allcut, Mr. Treadgold and Mr. McTavish.

The hearing, of the moment, as I have indicated, Mr. Chairman, is a major hearing of the Consumers' Gas Company. We expect that it will be followed by that of a second company, the Union Gas Company.

One of the branches of the energy board itself is that conducted by a Mr. Armes, who is the energy returns officer of the board. His responsibility is to appear before the board, to cross-examine and bring out evidence from witnesses who have appeared for applicants or others. It is also his responsibility to introduce his own witnesses, produce his own evidence, produce his own documents and to do various research jobs both in advance and subsequent to the hearing and to bring on hearings where this is needed.

I think the efficacy of this move has proven its value because there are no respondents involved in the Consumers' Gas hearing at the moment. Mr. Armes and his staff—he will have an inspector assisting them and other technical and engineering and accounting staff—are doing a first-rate job and I think are proving the point that in this province, when a gas company wishes to establish a rate, it will not be established just because there is no proof that some other rate should be established.

The rate itself must be proven and it is the responsibility of the energy returns officer to see that the board hears all of the evidence and not just the evidence presented by the applicant.

Mr. Chairman, I do not think there is anything more that I would say in a general way at this moment to the House. As we go through these 3 or 4 votes, I would like—just before each one of them is called, if I might—to have an opportunity of explaining very briefly what the particular vote involves.

As we are now in a position of calling vote 601, although I realize a number of my hon. colleagues on both sides of the House may wish to make some reference to these estimates, I would like if I could, just while I am on my feet, to make reference now to vote 601.

Vote 601, Mr. Chairman, is broken down into a number of different items, actually 5 in number. The first one, salaries, involves the sum of \$143,000. Last year this figure was \$116,000. This vote includes the Minister's office, the Deputy Minister's office and all the administrative staff for the department. Most of the matter was formerly under the fuel board and it is impossible, sir, to relate the votes in this year's estimates in connection with my department with those of last year. Last year's estimates were presented to this House on the basis of the department being set up as it was—namely, the administrative side—except for the Minister's office, which was under the fuel board itself. Now it is under the department.

The vote includes this year the energy studies branch which carried out special studies and investigations at the request of the department. The fuel industries in the province are highly competitive, and for this reason some of the studies which we are preparing are available from the point of view of advising the government in terms of economics, and it really is not fair to make these a matter of public dissemination.

The second item under vote 601, Mr. Chairman, is for travelling expenses amounting to \$10,000. Last year the item was \$15,000. There has been a reduction of \$5,000.

I would like to say, Mr. Chairman, that we in this department have only a few months of experience and we are still feeling our way forward in the responsibilities which we have.

We are trying to make the most sincere efforts we can to be as accurate as possible, but without a great many months of experience it is difficult to be able to predict the exact number of dollars which we will require or to compare and defend one item as opposed to another.

Last year, as I said, our men travelled somewhere in the neighbourhood of 500,000 miles and we have to consider the inspections involved again this year. We are unsure of the total travelling requirements and this item includes our main office and is really not for our inspection staff.

Our experience indicates that we can reduce this item this year and, therefore, we are

reducing it by 33 per cent. This item provides for travel by the Minister, the Deputy Minister, and the other persons on the staff of the department other than inspectors.

The third item is for maintenance, amounting to \$53,000 this year. Last year it was \$57,000, so there is a reduction of \$4,000. I would indicate, Mr. Chairman, that this year in The Department of Energy Resources we are asking for exactly the amount we asked for in 1960.

This item includes all maintenance for the department including printing of forms, licences, codes; office supplies and equipment; postage; telephone; advertising exhibits; Queen's Printer; subscriptions; any membership fees, and so forth—membership fees, such as for the Canadian nuclear association, the American nuclear forum, to which we belong, and so on. It includes some maintenance items formerly carried under the fuel board.

The total maintenance for the department is reduced this year because our purchases of furniture will be less.

Last year we purchased two short films on the atom, which were put out by the Disney company and shown at the Canadian national exhibition and which are presently being circulated and are in tremendous demand amongst schools throughout the province. The investment, I think, was \$400 or \$500, but it has been well worthwhile, according to the reports we have had from the teaching staff.

We have, under item 4, a special sum for investigations and reports amounting to \$17,000. Last year it was \$25,000. Again, this is a reduction. Last year we had a number of reports prepared for us in connection with our codes, also the Langford committee report, and others. This year we are going to try to get by on some \$8,000 less.

The last item is boards of arbitration. The item is \$4,000. Last year it was \$2,500. This is an estimate. Quite logically, it will not be spent.

On the other hand, it seems more realistic under the circumstances than the amount last year because, when the department was established, the arbitration committee, which we have now set up, does two things. It deals with Hydro expropriations which will be paid for in another way, and gas expropriations involving pipe lines.

Very few hearings took place in 1960 because we were making the changeover of the department and I wanted to make a clean sweep. The board of arbitration, which has served this province well for 3 or 4 years, has been disbanded. A new board has been

appointed, and this amount of \$4,000 is, as I say, an estimate only.

The new board consists of 5 gentlemen who have been drawn from across the province, including representatives of the farming communities, the federation of agriculture, a former employee of Hydro, and so forth, to try to give a complexion of the broadest nature to this committee which will sit in terms of 3 people. There is a gentleman from the north, one from the east, one from the west and the others are drawn from across the province. The committee will sit as 3 individuals, with 2 replacements depending on where the committee sits.

The last item is a statutory vote of \$12,000 in relation to the Minister.

On vote 601:

Mr. E. Sopha (Sudbury): Mr. Chairman, we have listened with the greatest interest to the comprehensive report made by the hon. Minister. The hon. leader of the Opposition (Mr. Wintermeyer) would now normally make a comment but unfortunately, as you know, Mr. Chairman, the hon. leader of the Opposition is attending the funeral of the former Lieutenant-Governor of this province (Mr. Breithaupt), along with the hon. Prime Minister and other representatives of the government.

This department is just a little over a year old in the form it was constituted by the last session of this Legislature, and perhaps it is too early to understand or to evaluate the impact that this department will have upon the future life of this province.

But I would like to say, Mr. Chairman, that the hon. Minister who is in charge of this department is a man for whom I have the most profound admiration.

His energy, alertness and intelligence, I am sure, will stand the province in good stead in the future development of this department, and particularly in the utilization of the vast uranium resources that we have in this province and which come under his jurisdiction. I hope, sir, that enough years will be left to me to see the development of the uses of uranium in this century. I am confident, as with people who stood at the threshold of the twentieth century, that given another 20 or 30 years' time, the wildest imaginings we could make today will not paint a concrete picture of what will be the benefits and the uses to which uranium and other forms of nuclear energy will be put.

Now, sir, it is in respect specifically of the uranium industry that I would beg leave to address a few comments.

The House had the opportunity last year to discuss at great length the situation in Elliot Lake, and I can report to the House from personal observation that Elliot Lake today affords to the eye of the observer quite a depressing spectacle. Quite a number of workers have departed from that community; their families have not as yet, in many cases, also departed and joined them. I think at one count there were some 200 houses boarded up for want of residents or purchasers. In many cases where the money had been advanced under The National Housing Act the mortgagees had merely departed without any feeling of further responsibility of meeting their obligations.

Now I do not for a moment suggest that the decline in the uranium industry is the fault of this government. I am curious as to the reason for the decline when I note a press report, which I do not have with me, published within the last month, which related that the atomic energy commission of the United States had asked domestic suppliers of uranium oxide to increase their production this year.

Now I forget the number of units that they had asked for but I believe it was somewhere in the neighbourhood of a 10 per cent increase. I feel, Mr. Chairman, that it is a great cause for regret, in view of our situation here, that that additional requirement of the atomic energy commission could not have been met from suppliers in Canada.

But I do say, sir, that it is illustrative of the evil days, sad days perhaps would be a better adjective, upon which relations between our two great countries have fallen. I allow myself to believe that in yesteryear had there been an additional requirement by the United States government, our relationship with them was on such friendly terms that some arrangement or accommodation could have been found between the government of this country and the atomic energy commission.

Interjection by an hon. member.

Mr. Sopha: I wish the hon. member would not ask me any questions. We are getting along fine, Mr. Chairman. The "head man" is away, and I want to be able to report to him when he comes back that we got along fine. So I will appreciate it if the hon. member would not ask me any questions.

I was saying that I do regret, in view of the contracts that we had with the American government for the supply of uranium to them, that if they needed more, our govern-

ment, in Ottawa, perhaps at the instigation of the hon. Minister or other people in this government, might have come to some arrangement with the American government to supply their requirements from Elliot Lake or other uranium-producing centres in Canada.

However, the way it stands now, the cold hard facts in the uranium industry are that it is in a period of very dramatic decline. Since we discussed the situation last year in this House, there has been no cause for painting a rosier hue to the picture. Apparently the uranium industry is going to continue to decline, and there has been a complete absence of concrete steps taken by any government in this country to bring about a more optimistic situation.

Now the hon. Minister, in attempting to draw an analogy, related the history or part of the history of the nickel industry. He said that after World War I, for want of markets, the nickel industry was stimulated to find alternative uses for their product.

That is perfectly true and I think I can safely say that in the nickel industry happily, and perhaps I can be allowed to say it more happily than any other hon. member, the demand is greater than the supply because those producing nickel in this country are continually opening up new ore bodies and developing them.

But it is not an exact parallel and that is the point that I want to emphasize.

Nickel is a commodity that can be utilized in such things as knives, forks, dinnerware, chrome on automobiles and perhaps a thousand other uses. But in common ordinary everyday living you do not have similar uses for uranium. In other words, uranium is not a consumer product.

I hope I am accurate in saying that; if I am not accurate I will be corrected. But I draw that out to show that it is not exactly an analogy. And I would think that, despite the efforts of the producers of uranium, it will be difficult to develop alternative uses for it, other than that sad and pessimistic use that it has related to human destruction.

However, there is a tremendous responsibility upon government to do what it can in the field of scientific research to ascertain more quickly to what peaceful uses uranium oxide may be put.

Now the hon. Minister did not relate to us—if he did, then not at any great length—what the government is doing along this line. We heard last year that there was some disagreement among scientists about these re-

actors and the best way to use the reactor in the production of hydro-electric power.

Now on this side our interest becomes two-fold. We would like to hear what progress, if any, has been made towards this on the part of industry.

We would like to hear what the government is doing to stimulate it in order to hasten the day when—and this ought to be the end result of any inquiry—this great community of Elliot Lake and other similar communities in this province will once again become thriving mining towns.

Now, accordingly, Mr. Chairman, I respectfully invite the hon. Minister of Energy Resources to apprise the House as to any progress that has been made along that line.

Now there is just one other subject. The House will be happy to know that, having finished with this subject, I do not intend to speak to these estimates again.

While I am on my feet, I wish to speak of one of the aspects of the explosion in Windsor to which the hon. Minister alluded.

Now let me say hastily that I do not know a thing about the technical aspect of hooking up gas mains or supply of that fuel to users.

One may as a layman at least be permitted to reason backwards. We do not usually reason that way over on this side of the House; we leave that to the other side. One may be allowed to infer, since there was an explosion in Windsor, that unless the supply of gas is approached in a cautious manner, there is a danger of such a thing happening and it becomes, then, what we call in law, an inherently dangerous substance.

If that be the case, as I assume it is, then I wonder whether in that gas code there is a provision—I have never taken the opportunity to look at it and I will be the happiest man if I am told it is already in there—that workmen, technicians, plumbers and whatever else they are who hook these things up, are prohibited from doing anything with them while a store such as the Metropolitan store is occupied by the public. It would seem to me to be axiomatic that if this danger exists, it would be done at a time when the public is not on the premises.

If I may use an analogy and compare it to dynamite, an explosive, then surely people do not run around using dynamite when there are large numbers of the public in the vicinity. In fact, I think there are some regulations in that regard to the effect that they have to use it at a time when there are not likely to be very many people around.

That is one thing, and if that provision is not in that gas code, I would think the hon. Minister should make sure the responsible people get that in. I say this because, if they had done this at a time when the Metropolitan store was not full of people, no doubt it must follow, it is trite to say, there would have been many less people injured.

Here is the other thing I want to say about it: I followed the press report. I have a particular interest in it because the supply of gas is a new phenomenon in the constituency I represent, as well as to the constituency represented by the hon. member for Nickel Belt (Mr. Belisle). We, fortunately, have escaped such an occurrence as this, but we are interested in what goes on and that is the background against which I studied this.

I saw where the hon. Minister was down in Windsor making a study on it; I saw the report of the coroner's jury; and I saw where the hon. Minister had suspended the licence of the plumber, the man who was actually connecting up the system.

It seems to me, and it perhaps will seem to the hon. Minister, that, as a matter of law, the real responsibility, at least from the aspect of civil negligence, resides in the company, and that the responsibility is twofold.

In the first place, the company selects the independent contractor, if we may call him that, the plumber. They have the ability, the capacity, the right, to go out and hire the man. Therefore, they have the responsibility to ensure that the man they hire is competent.

I do not know how many that gas company uses. They may use only 1; they may use 5; they may use 20; they may use 100 of these technicians. But surely it is not asking too much of that company to make certain that the people they hire to connect up their works and supply their consumers are fully qualified and trained.

It seems to me that to descend all the responsibility and all the blame upon the poor unfortunate plumber, culpable as he might be, is not really getting at the root of the thing.

I did not read where the hon. Minister took any salutary steps with respect to the company and directed them that, in future, they must see to it that a competent, fully-trained, cautious, prudent technician is hired to hook up their gas supply to the user.

There is another aspect to this. The hon. Minister is a lawyer so, perhaps, he will agree with me in the interpretation of some of the cases.

A person in charge of the inherently dangerous substance, dynamite, or natural gas, as in this case, cannot delegate his authority. This is the difference in the hiring of the technician.

The company, in addition to hiring this technician, has a responsibility to supervise him and to see that whatever he is doing is being done in accordance with the regulations and in a careful and prudent manner. It is no answer for that company to turn around and say—in fact, I do not think they can say to the injured people—"We delegated this task to a technician and left him to carry it out." As I understand the state of the law, they cannot say that. They have the responsibility to actually supervise it; to see that he is carrying it out in accordance with the regulations—

Hon. Mr. Macaulay: The hon. member is aware there have been writs issued in this matter and it is *sub judice*, I am sure.

Mr. Sopha: Yes, I am aware of that. I am not deciding the cases. I am talking about the code and I am just trying to sum it up by saying that I hope that code contains some provision requiring the suppliers, the company that supplies this inherently dangerous substance, to take some steps towards supervision. I do not think the courts will object to me making these remarks and putting forth these observations if they will go but a little way toward the possibility that this unfortunate circumstance does not happen again.

Those are two aspects of this unfortunate explosion that took place.

Thirdly, I just wonder how widely these codes have been publicized. The last aspect is the responsibility of the hon. Minister to see that they are followed, which responsibility resides in him. I would not want the hon. Minister to think for a moment that we, in the Opposition, are so irresponsible, so incautious, that we take any comfort out of this at all. We do not. I am not speaking to him in the spirit of chastisement, but only because we feel conscious of these things. We want to do what we can, acting responsibly, to make certain that such an unfortunate occurrence does not happen again in this province.

Mr. D. C. MacDonald (York South): Mr. Chairman, in his comprehensive coverage of the work of his department, the hon. Minister has touched on a number of points that I would like to deal with generally. There may arise specific questions which I shall include in my remarks because, I think, perhaps,

we can deal with them all in one unit rather than trying to separate them out.

My first point has to do with coal, one of the fuels that the hon. Minister dealt with in giving us an outline of our resources in this province. I was going to leave this until our discussion on Hydro but I think it fits more logically into the general context of his earlier remarks.

I was very interested to receive just today, as a matter of fact, a letter from the federal member of Parliament for Cape Breton South, (Mr. MacInnes), pleading with me, and all the hon. members in the province of Ontario, to try to have our municipalities buy coal from Nova Scotia.

Having at least a Scottish affinity with Cape Breton, I have a great sympathy for the problems that face them down there, and I am wondering whether or not some greater contribution could be made. I remember a few years ago, for example, when that well-known Progressive-Conservative, the mayor of all the people, went down to the wharf in Toronto and almost blessed the arrival of a shipload of coal from Cape Breton as though they were inaugurating something new. The whole thing is made more current by a story in yesterday's Toronto *Globe and Mail* following a comment in the House of Commons by the federal hon. Minister of Mines to the effect that:

It is my understanding that they intend to use Canadian coal when the third plant is built.

The federal hon. Minister was referring to Hydro—and Hydro replied to the effect that this is not the case.

Now, the question I want to put to the hon. Minister is this: Is the gap which would preclude the economic use of coal—particularly now that the seaway has been opened and presumably it can be transported in larger boats from Cape Breton—is that gap such that we cannot use more Cape Breton coal?

This problem has relation to western Canada and the languishing coal mines of Alberta and eastern parts of British Columbia. But it always seemed to me, as a layman not familiar with all of the economics of the problem, that the water transport from the Maritimes opened up the possibility of the use of Nova Scotia coal, whereas rail transport from, say, Alberta, would preclude it.

Now I would appreciate it very much if the hon. Minister could make some comment on that. Apparently there was some mis-

understanding on the part of the federal hon. Minister who was led to believe, perhaps mistakenly, that Hydro was considering the use of it.

Hon. Mr. Macaulay: May I deal with that now?

Mr. MacDonald: If the hon. Minister wishes.

Hon. Mr. Macaulay: Interestingly enough, Mr. Chairman, I received the same letter to which the hon. member has referred. I am sure many other hon. members have and I have sent for my reply. I replied yesterday afternoon to the gentleman who wrote to me and I would have liked to have had it here so that I could have read my answer to the House. It may come before I am finished, but the position is basically this:

There have been in the newspapers a number of misquotations in relation to the matter. These are the facts:

Ontario Hydro a year ago, or in 1958, ordered 10,000 tons of coal from Nova Scotia and tested it. The test was in relation to generators of the size used at the Hearn plant, 200,000 kw. Now I should, if I may, digress for a moment and say this to the House.

Certain coal will be satisfactory for certain temperatures and under certain conditions and may be entirely unsatisfactory for other temperatures and other conditions, even though both temperatures and both conditions are designed to create electricity. Therefore, coal which may be satisfactory or unsatisfactory for the Hearn plant may or may not be satisfactory, for example, for the Lakeview plant. The Hearn plant generators are 200,000 kw, the Lakeview generators are 300,000 kw; there are presently being used in the United States 500,000 kw generators. In 1949, 40,000 kw or 50,000 kw was as high as anyone thought they could go.

Generators had a capacity of only 40,000 kw or 48,000 kw when the plant in Windsor was built. In 1949 40,000 kw; 50,000 kw; 60,000 kw were as high as the ratings of the generators could go, although it was always felt, with further engineering work, that ultimately you could get higher and higher and higher ratings on your generator.

Now then, when this Nova Scotia coal was brought here and was tested and run through our equipment, it was found that it was in b.t.u. content not quite as favourable as American coal, but it was satisfactory. At the same time we had on hand some \$10 million to \$12 million worth of coal, which

we had bought at more favourable rates than that coal at the present time.

The position in relation to Hydro and Nova Scotia coal is this. When the Lakeview plant is finished, we will test it for the Lakeview plant, and if it is satisfactory for performance and competitive in price, we will give it consideration for use there. And when we come to reorder for our present plant, so long as the prices are reasonably competitive, we will certainly favourably consider the Nova Scotia product.

Now any other statement has been a misstatement. There are only two things which Hydro is concerned about in relation to the fuel, one is its performance and the other is its price.

May I, just while I am on this, put this on the record? I wrote a letter yesterday to Mr. Pallet of the House of Commons, who forwarded to me Mr. MacInnes' letter. I do not know, but perhaps he did the same for the hon. member. In any event, I wrote to him yesterday and I said:

I have your letter of December 5, together with the enclosure in relation to Mr. MacInnes.

Ontario Hydro tested a year ago 10,000 tons of Nova Scotia coal for our purposes for generators of the size of the Hearn plant. This coal, although having a somewhat lower btu content than the American coal, assuming the price is competitive would be acceptable to the commission. We purchased many millions of dollars of coal several years ago and have not bought any since because of extreme flow conditions and temperature.

When it becomes time to make further purchases, so long as the coal is competitive in price and if performance is satisfactory, we will be happy to consider the Nova Scotia coal—

and so on. I went on to point out the problem and, I might just say, rap somebody's knuckles.

Mr. MacDonald: Mr. Chairman, I want to commend the hon. Minister for the very careful way in which he is approaching this matter. Many times, before this session is over, I imagine we are going to have the opportunity to discuss this question of whether or not we should always buy Canadian and under what circumstances we should buy Canadian. Obviously, there is a point beyond which it would be a serious economic problem if you bought Canadian when the cost was going to be a very great deal more.

My only point, in this context, would be

the hope that all departments of the government would be approaching it as carefully as the hon. Minister indicated he is doing. For example, I am very interested in the hon. Minister of Planning and Development (Mr. Nickle) trying to develop new industries in this province to fill the fabrication gaps.

I am also very interested to come back and find that we have new chairs in the committee rooms, so that we can sustain more comfortably the impact of the ideas and information poured at us. But I am a little puzzled to discover, when I turn the chair upside down that it was made in Grand Rapids, Michigan. Now, I may be wrong, but it would seem to me that there are some manufacturers of chairs in Canada who might have unemployment at the present time.

Hon. Mr. Macaulay: May I say this to my hon. friend? I know the hon. leader of the Opposition intends to deal tonight with this problem of purchases in other countries and perhaps we can all dive in all at once, shall we?

Mr. MacDonald: The second point I want to touch on is with regard to uranium. I was delighted to read the news story yesterday that Canada has reached the point of being able to patent the use of uranium as an additive to steel, giving greater strength and perhaps greater resistance to corrosion. I wondered whether the hon. Minister would be able to give us any indication as to the potential of this at the actual level of production and use in industry?

Hon. Mr. Macaulay: The hon. member did last year, how about the hon. member repeating it?

Mr. MacDonald: Well, I have forgotten exactly what the figures were, but the automobile industry, for example, is a most challenging one—

Hon. Mr. Macaulay: That is why I am sorry the hon. member for Sudbury has left. He said uranium did not have any real value in consumer goods. That is true if an automobile is not consumer goods. But it is conceivable that the automobile industry alone could use something like 13,000 tons of uranium. Our total production of uranium is 15,000 tons.

I am not making this statement as fact—nor did the hon. member last year. The hon. member and I are relating what we say to the evidence of the best experts we have been able to hear, who came to our conference

and who have delivered papers on this subject.

But in relation to the total tonnage of steel which goes into the automobile industry, allowing for anywhere from 1 to 4 pounds per ton, it is quite conceivable—although I make no prediction of this and some people think this is much too high an estimate—but it is conceivable that a very substantial portion of our production can go into the automobile industry alone, not to mention other industries. There is boiler making, for instance, where there is a large corrosive factor once you get up to a high temperature, where high temperature fields are very important, and these—although they are not consumer goods, they are producer goods—are very high consumers of steel.

Mr. MacDonald: It may be too early, but what I am wondering is whether the hon. Minister had any indication of the likely civilian use of radium so we can halt the degeneration of Elliot Lake and other uranium-producing areas into ghost towns?

Hon. Mr. Macaulay: Well, that is a proper question. Does my hon. friend mind me dealing with them this way?

Mr. MacDonald: No.

Hon. Mr. Macaulay: I have spoken—as a matter of fact, I have a letter here—from Dr. Forward who is the director of the Canadian research foundation. He came to see me a few weeks ago and we discussed the problems of the Ontario research foundation, to which I made reference this afternoon, and the programme we are going to follow. Some of these people—I do not say Dr. Forward—are quite eager and keen about this development; some are approaching it with caution. How soon this method is adopted will depend to a very large degree on its acceptability by the people who purchase steel and will put a premium or a value on steel going into their produce which will not be subject to as much damage—for instance in automobiles, from salt—and other steel uses where temperatures are important, and so forth.

So quite apart from finding a use, sir, there are two problems. There is the problem of finding a use, and then there is the problem of selling your product to the industries. Now that is partially what both of these associations I have mentioned—and to which the hon. member was kind enough to make reference last year, one of them at least, because the other had not then been formed—those are some of the functions of these two associations.

Now how soon the motor car industry and the steel industry can be encouraged to take this up in order to accomplish what is said is possible of the steel with uranium in it, I cannot say. All I know is that a great deal of time, energy and money is going to be devoted by these industries, as well as by the government, in encouraging industries to use this.

Mr. MacDonald: I do not want to dwell further on this because I imagine it is to a degree speculative—a happy kind of speculation which offers the prospect of getting ourselves out of the situation we face. But the final comment of the hon. Minister is something I would just like to touch on briefly in relation to what the hon. member for Sudbury said.

It is that up until now the governments have done most of the research work in this field. He asked that the government pull their weight. The fact of the matter is that it is the governments which have done the job up until now. It is the industry which has ignored its obligation, almost to the point of self-destruction as far as their own market is concerned.

Faced with the impact of the present situation they have now, they have been doing more in the past year, and I hope that we can get the kind of necessary teamwork both for developing these processes and for securing the markets the hon. Minister has referred to.

Now, there are a couple of items of unfinished business which the hon. Minister touched upon and which I wanted to refer to. I was very disturbed to hear the hon. Minister say that the Langford committee's investigations into the Lambton storage fields, the problem of leases, of the spacing and the pooling, has not yet been tackled and we have no report.

Hon. Mr. Macaulay: I do not say, sir, that this has not yet been tackled, all I say is that the report will be here in January.

Mr. MacDonald: On this aspect?

Hon. Mr. Macaulay: Yes, that was my understanding. In the report which I tabled, Dr. Langford said his report will be available. As I read it, it is expected these additional studies will be completed by January 31, 1961. So I am hoping we will be able to discuss it in the House.

Mr. MacDonald: Well, I would hope an opportunity will be made for discussing it once these estimates are passed, because

some of the gas producers, particularly the small producers that the hon. Minister has indicated he has a soft spot in his heart for, have been living with these problems for a long, long time.

Interestingly enough—if I may just draw the parallel with what has happened down in Windsor—the company they have really had such tough dealings with has been Union Gas, whose record is much worse than some of the other companies in the field. I think it is about time we regularized this and halted the kind of exploitation that has gone on. However, we can leave that until later.

The other item of unfinished business I want to raise without going into any great detail—because I think it would be premature—is that last spring, when we were sweating through the various bills that were establishing the operations of this new department, we gave some consideration to a model bill in the United States and to what extent the various clauses in that model bill might have application.

The hon. Minister smiles. He thinks this model bill is something that is going to haunt him. Well, I assure him he is correct, it is going to haunt him.

For if he had looked at some of the things in the United States, he would have included in his safety code the point raised by the hon. member for Sudbury: That you do not install this kind of equipment when people are in the building—a public building. I think there are other aspects of that model code which, for better or for worse, we did not include in our setup and I wonder whether we should not have done so.

For example, the hon. Minister referred to the gas rate hearings that have been held, particularly those for Consumers' Gas. I was very interested in an editorial carried in the *Toronto Daily Star* on November 14 which they headed: "Councils Ignore Gas Rates." There is no municipal council intervening for the protection of their own consumers.

Hon. Mr. Macaulay: They did not give us much credit though, I did not think! Did the hon. member?

Mr. MacDonald: Well, no. They did not give the hon. Minister much credit. Whether or not they are wrong in not giving him credit, events alone will tell. So, for the moment, I am going to reserve whether I give him credit or not.

Hon. Mr. Macaulay: That comes as a crushing surprise.

Mr. MacDonald: It does point up, Mr. Chairman, the extreme importance of this energy returns officer. If the municipalities for one reason or another are not going to enforce a careful examination of the rate base and the other various financial factors involved, then we, in this Legislature, through this officer of the Ontario energy board, have to protect the public interests.

I remind the hon. Minister that it is very fortunate that some of us on this side of the House fought last year to have this energy returns officer taken out of the ivory tower of the department and brought into close relationship with the energy board where he can do his job.

Hon. Mr. Macaulay: He has done just as good a job, and he is where everybody wanted him.

Mr. MacDonald: I suspect he would not have done just as good a job or the hon. Minister would not have moved him because he was then persuaded he would do a better job where the hon. Minister put him. So let us not argue that point.

To get back to the model bill. The model bill has some proposals in specific terms as to what should be in a rate base. I am not exploring this exhaustively today because the whole thing is now in the process of examination. I was interested in the points that were brought up in the *Daily Star* editorial. They point out, for example, that Consumers' Gas sought to have included in their rate base one figure of \$19,472,600 covering deficiencies in returns for the 4 years between 1955 and 1958. They say that the company claims it should have got 7 per cent returns in 1955, and 7.5 per cent returns in each of the other years and in fact it never got over 3.6 per cent. So now it wants to add these deficiencies in its returns into the rate base.

Hon. Mr. Macaulay: Yes. But they could put in something for mother's summer cottage. That does not mean anything.

Mr. MacDonald: I hope the Ontario energy board agrees with the hon. Minister because he in effect has said this is utter rot and I want to agree with him; it is utter rot. Why the deficiencies in returns for the last 3 years should go into a rate base, which becomes the basis for calculating your rate for presumably the next 10 or 15 or 20 years, completely mystifies me. If companies are going to try to get that kind of item included in their rate base, then the hon. Minister had better man the staff of the energy returns officer and supply him

with everything that is needed. I suggest this because he is going to have a tough battle on his hands.

The editorial cites another example, adding some \$6,941,000 into the rate base for "receivables on sales finance plans." I do not profess to be an accountant or an economist, but I have almost as much difficulty in conceiving of that having a valid place in the rate base.

Well, I think we can leave this matter for the moment, Mr. Chairman.

Hon. Mr. Macaulay: I trust the hon. member does not assume because I do not comment on what he read that I approve of what he is reading, because I said last year, and I repeat, that the rate of return for these companies will be on a rate base of historical cost less depreciation and there are a fair number of precedents in relation to that. In fact, there are volumes of books that describe what are historical costs that would run through perhaps two or three decades and on.

They will be given a rate of return in the neighbourhood of 7 per cent. We have not swerved one inch on either side of that pronouncement.

Mr. MacDonald: Well, Mr. Chairman, we will leave that. I want to turn finally to some aspects of the lessons that are to be learned from the Windsor blast which, unfortunately, took 10 lives and injured some 80 people.

The thing that strikes me about this coroner's jury report is the contrast between the approach of the hon. Minister indicated in the House here and indicated earlier in his statements made in Windsor before the coroner's jury had even met. For example, when he was down there, he was quoted in the *Toronto Globe and Mail* of October 29 as saying in no uncertain terms that contractors were going to have to obey these codes. The direct quotation was:

My own opinion is that the code was broken and that is what caused the blast. I want it known that I mean business. The code is going to be obeyed. If it is not, I will follow every avenue to penalize those who break it.

Now that is fine. I appreciate the hon. Minister reiterating it today. The coroner's jury has sat and has brought in its report, which states that there was gross negligence on the part of the company. And what does the company say?

I have the *Windsor Star* of December 3,

after the report had come out and an official—in fact Russell Perkins, the general manager of the Union Gas Company, Windsor operations—issued the following statement:

We feel we were not negligent. We did not violate any of the code.

Now this is a preposterous situation! After we have had a coroner's jury investigate the situation and come up with a documented report that the code had been violated and the company's conduct had been described as "gross negligence," officials of the company say they have not violated the code.

Hon. Mr. Macaulay: Well, what would the hon. member expect them to say? I do not want to take sides on it, but what would he expect them to say?

Mr. MacDonald: I will tell the hon. Minister what I expect them to say. I would expect them, like a few other people who have been caught violating the law, to at least say nothing.

Hon. Mr. Macaulay: But he does not think he was caught violating the law.

Mr. MacDonald: Well, this is the point. He says that he has not violated the code when the hon. Minister says the code was violated and his stand has been confirmed. All I am saying is that the hon. Minister has a real job on his hands. He has a job dealing with a company which is a rough, tough customer and has operated as it blessed well pleases for a long, long time down in the Lambton fields—with regard to the problems that the Langford committee is looking into—and on this issue too.

And I hope that the hon. Minister does not waver one iota in his pronouncement as to what he is going to do in having this code lived up to. Because if they are permitted to get away with it, they are going to get away with it. This is the record of this company.

Hon. Mr. Macaulay: The hon. member does not really believe I will waver though, does he? He really believes I will do a job?

Mr. MacDonald: I will wait and let events confirm whether or not the hon. Minister is going to waver.

Hon. Mr. Macaulay: Well, that is—

Mr. MacDonald: As a matter of fact the hon. member for Sudbury was raising a very valid point and the hon. Minister for

a moment began to try to throw legal monkey wrenches into his argument. He said: "Did the hon. member for Sudbury not know that there were writs issued against the company?"

Hon. Mr. Macaulay: That is correct.

Mr. MacDonald: Fine! But does the hon. Minister not know that the writs are also issued against the plumbers?

Hon. Mr. Macaulay: That is correct.

Mr. MacDonald: Well, fine. The hon. Minister put the penalty on the plumbers before anything had gone before the courts, but he did not put in the penalty against the company.

Hon. Mr. Macaulay: Does the hon. member want to know why?

Mr. MacDonald: Yes, I would be interested in knowing why.

Hon. Mr. Macaulay: Because at the time I was there I advised the press when they asked me what I had to say about it, that it was my own point of view only, and that it had been recommended to me by the energy board of Ontario, that the licence of the contractor be suspended.

Now, a rather interesting aspect of this matter arises under this heading. We passed legislation last year. I told the energy committee, and I pointed out to this House, that I felt under some circumstances a Minister should have the authority to suspend a licence. I did not get it. The committee voted against it and I acceded to their opinion that there should be a hearing before the energy board. I had no authority to suspend anybody's licence. I did not. I said that the licence had been suspended until we got back here to Toronto and found out that, legally, I should not have suspended his licence.

Now this was in acceding to a request of the committee of this House and the opinion at that time, following a recommendation of the Gordon committee—as the hon. member will remember—that there should be no cancellation of licences without people having the right to be heard and having a full right to appeal. It was on that basis that the legislation was prepared and presented to this House that the Minister has no right, even in an emergency, to cancel a licence. Quite frankly, I am going to speak to the House about it in the coming session—about whether the Minister under some circumstances should have an emergency power.

Mr. R. M. Whicher (Bruce): Does the hon. Minister mean it was cancelled in Windsor when he came back to Toronto?

Hon. Mr. Macaulay: Pardon? Did I—

Mr. Whicher: Did he retract the statement that the licence was cancelled when he came back to Toronto?

Hon. Mr. Macaulay: Retract it to whom?

Mr. A. F. Lawrence (St. George): Well, he said it was suspended—the plumber's licence—to the press. Did he bring a statement—

Hon. Mr. Macaulay: I had no authority to lift it. Therefore it was never lifted.

Mr. Lawrence: At least did the hon. Minister have the courtesy to have something in the paper to show that he did not have that authority?

Hon. Mr. Macaulay: I am advising the House, in the proper place, I think, that I have no authority. I am not going to permit him to have a licence in 1961.

An hon. member: It is up to him.

Mr. Lawrence: Is the hon. Minister now saying that there has been no hearing of the energy board to determine whether or not this man's licence should be lifted?

Hon. Mr. Macaulay: That is correct. I am saying that.

Mr. Lawrence: He can still operate in the Windsor area, can he?

Hon. Mr. Macaulay: That is correct. I might say, however, that the Windsor people, as I understand it, have taken back his licence.

Mr. MacDonald: Quite apart from the point that the hon. Minister has raised, which is very interesting and I think it has been rather enlightening, I want to get back to re-establish the point I was making: whether or not the hon. Minister had the power, he was willing to exercise it and did attempt to exercise it against the plumber. But he did not attempt to exercise it against the Union Gas Company.

Hon. Mr. Macaulay: Oh, I am sorry. I got part way through what I was going to say. The reason I did not was because I was expressing my own view. At that time I was not there for the hearing, as the hon.

member knows. There was a hearing called for the purpose of seeing what the ramifications of this matter were, and it occurred to me—it seemed to be apparent to me and to the energy board on whose recommendations I was acting—that patently the plumber here, the fitter himself, the contractor had broken one or two of the provisions of the code.

It was not apparent to the energy board that the company had broken any provision of the code. It is now essential to obtain the evidence from the hearing to find out exactly what provisions of the code have been broken in order to lay a prosecution, and that will be done if the company has broken the provisions of the code. I said that at the time and I repeat it now.

Mr. MacDonald: Mr. Chairman, I am not going into the details of the specific proposals that were raised because the hon. Minister has touched on them. I refer now to proposals for changing the code—such, for example, as the supplementing of what is delightfully referred to as the human sniff test with an explosimeter, because, apparently, natural gas is not always detectable by the human sniff test. Presumably there will be an opportunity in the energy committee to review some of these proposed changes.

However, the most important thing that emerges out of all this—and, I think, the government is here open to criticism—is on the inspection end of it. Rightly or wrongly, enough inspection was not done on this job—whether by local inspectors, by inspectors who come under the department; or whether by some of the inspectors who did not follow through after they had issued the licence from the city hall in Windsor, and who came in for a bit of a rap over the knuckles.

The thing that concerns me about this inspection problem was a story carried in the *Windsor Star*, the exact date of which I am not certain, at the moment, on the inspection situation. One of the local inspectors was commenting on the task they have in Windsor. He was quoted as follows:

The task of inspecting the uncounted and unknown number of heating installations made prior to the 1954 bylaw, as well as the unknown number of sneak installations made without applying for a building permit, and consequently without the benefits of inspection, makes the problem one of lack of enough inspectors for the job.

If I may just interpolate here; apparently they have had a bylaw since 1954, which means that all new installations must be

inspected. But there is a backlog on which they have not caught up, quite apart from the do-it-yourself efforts about which they do not hear. This is the comment:

“At present the inspectors, swamped with work, are 3 weeks behind in the inspections of new permits, much less having the time to dig into the pre-1954 era,” Mr. Maguire said, in reply to the reporter’s questions. “Windsor is in good shape, but it could be a lot better,” commented Victor Hewit, one of the two inspectors.

The question I am curious about, Mr. Chairman, is to what extent that kind of situation obtains elsewhere across the province. If I understand it correctly, this department has municipal inspectors working in conjunction with them—or do they take over an area from this department?

Hon. Mr. Macaulay: In addition to.

Mr. MacDonald: In addition to this department? In other words, the hon. Minister has a responsibility there, too.

Hon. Mr. Macaulay: Yes.

Mr. MacDonald: Well, this brings it right down on his doorstep. If he has this kind of situation in Windsor, with such a backlog of inspections that have to be made, as well as the so-called “sneak” installations with no inspections, I wonder whether the 35 men he has sitting up in the gallery today should not be multiplied by many, many times if we are going to be able to catch up on the potential destructive situation that could result in other similar explosions with loss of life and property. I wonder if, before he is finished, the hon. Minister would care to comment on that.

Hon. Mr. Macaulay: We passed a provision last year in the Act that every distributor must reinspect each installation every 3 years, which means that even if something is inspected on its installation today, it has to be reinspected within 3 years. This means that there was a great deal of this backlog in Windsor, to which reference has been made—I have not read those quotations and am therefore unable to vouch for their accuracy or otherwise—because these companies, since the passage of this Act, are now, of course, in the process of not only inspecting the new installations but also reinspecting the old.

As far as the municipalities are concerned, there are a number—not many, 4 or 5, I think—that have their own bylaw and their own

inspection service. The province of Ontario has its inspection service. The distributing companies upon whom the basic responsibility for inspection—although not the ultimate responsibility, but the inspection in the first instance—lies, have large inspection staffs. And now, under the provisions of the Act, section 5, no person shall install or have installed any appliance to be supplied with gas by the distributor without giving notice to the distributor of the address of the premises at which the installation is to be made, and the type of appliance to be installed.

In addition, where the supply of gas to a meter is turned on, no person shall use any appliance connected thereto until the distributor that supplies gas to the meter has inspected all the appliances, and every distributor shall inspect at least once every 3 years all appliances to which gas is supplied.

Mr. K. Bryden (Woodbine): Mr. Chairman, it is not my desire to attempt to embarrass either the government or the hon. Minister on this matter. It is, however, as we all know, an extremely serious problem.

I would like to point out that there is a broader context to this whole question of safety.

It would not be in order, at this time, to refer to The Department of Labour or The Department of Mines in any detail, but I think it is relevant to mention them in order to place the unfortunate occurrence in Windsor in its total context, which is one of apparent widespread negligence on the part of the government on the whole question of safety. This has resulted in some very serious tragedies; not only resulting from gas explosions but from other calamities as well.

It strikes me, Mr. Chairman, that it is time the government pulled up its socks on this issue; that it got down to business on the question of safety. I am quite prepared to recognize that it is up against a lot of difficulties; that new processes are developing, for one thing, that are hard to keep abreast of. The hon. Minister of Energy Resources has stated that his department has devised the finest regulations in North America, I believe he said, with regard to safe handling of gas.

Mr. Chairman, the finest regulations in the world are totally useless if they are not observed. It certainly seems pretty clear that there is inadequate machinery to ensure that these regulations will be observed. This seems to be the weakness.

I am in no position to deal with the

adequacy of the regulations; I am not qualified to deal with that at all. I accept the hon. Minister's word that they are the latest thing.

But there still seems to be widespread negligence in the government service on this question of safety and, Mr. Chairman, it is time there was a drastic change in the attitude and in the practice of the government, not only as it affects this particular department, but as it affects the total question of safety in all its ramifications.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, I would like to speak on this question of the explosion at the Metropolitan store in Windsor which occurred on Tuesday, October 25, at 2.10 in the afternoon.

I say to this House that, to me, it is the most tragic incident in the history of the city of Windsor. It killed 10 people and injured 83. Now I certainly do not want to wish on any hon. members of this House a similar happening because to me it is certainly a sad affair. It has caused chaos in Windsor. The people there are still talking about it. I do want to show some of the things that happened because I was on the scene quite a few times during the rescue work.

The work that was done by the fire department, by the police department, by the civil defence department, by the hospitals and the citizens at large was indeed tremendous. It showed the true spirit of the Windsorites under such a tragic circumstance.

I want to say also, that the province also took a hand in the matter. Following the explosion, the hon. Attorney-General (Mr. Roberts) was on the scene the following day, then the fire marshal followed by the Deputy Minister of Planning and Development (Mr. Tyrrell). He stayed with our leader of civilian defence, Mr. Bird, for three days until they were sure that there were no more victims in the building.

On Friday, about noon—I happened to be on the scene—the hon. Minister of Energy Resources arrived. I went down because I wanted to hear what the hon. Minister was going to say.

The first thing that he did when he arrived in Windsor was to put on a little tin hat that the people around there were wearing so that they could go into the building. I do not begrudge that at all.

He did a little bit of inspection and then had a few pictures taken by the press. Then

I happened to be very close to him when the reporters of the press asked him, "Mr. Minister, have you a statement to make?" He said, "I will make my statement in a room at the hotel." Then he departed.

The Deputy Minister of Planning and Development told the mayor of the city of Windsor that he was satisfied the rescue work had been completed. The mayor along with our own leader of civil defence, Mr. Bird, agreed to this. The rescue operations had been completed.

Now, I went back to my classes that afternoon. That evening when I opened the paper and read that, as a result of the visit of the hon. Minister of Energy Resources, a man who had been in the contracting business in the city of Windsor for 38 years had his licence suspended. I certainly felt at the time, and I still feel, that the action of the hon. Minister at that time was certainly far too quick and drastic.

Why, especially, did he pick on the plumber himself, who was just a sub-contractor, since the contract was given to the gas company. They should have been the ones penalized in this affair because they also had an obligation to see that the work was done according to the code. I must agree with the hon. Minister that the code had to be observed. But this was too drastic an accident to say that only one party was to be found negligent.

There followed a gathering of quite a bit of information. On November 29 the investigation started in the council chambers of the city of Windsor where they heard, I think, in the neighbourhood of 150 witnesses.

Then on last Friday, December 2, the Assistant Deputy Attorney-General (Mr. Silk), who acted as counsel at the inquest, was given the report of the coroner's jury. And I would like to show to this House that the very first name that is mentioned in this headline is not the plumber, it is the gas company. The plumbers also were found negligent.

I might again ask this House and the hon. Minister why he took the action that he did at the time. For myself, I have felt this—and my opinion has not changed—that the hon. Minister of Energy Resources came there and he wanted the citizens of Windsor to know that he had some authority and was going to use that authority. I know that he left that same afternoon after he made a statement to the press and suspended a man's licence. To me, that is certainly a wrong action.

And, then, I have heard this afternoon that he did not have the authority. Why he did that, then, I do not know. I feel that there has been enough unpleasantness—the people who have suffered in this, the people who were hurt, the people who were killed, the bereft families and others. Added to this, the ones who should have been doing some supervising were let off scot-free. That, again, I say, Mr. Chairman, is too drastic an action.

Now, I want to bring to the attention of the hon. Minister that, in the findings of the jury, there have been some worthwhile suggestions. There have been 12 recommendations which are certainly worthy of consideration and I do hope they will be taken into consideration because they certainly show that there has to be a very, very close supervision of this type of work. I am not going to read them all, but I do want to say that one of them was mentioned here this afternoon, and I certainly agree with it, that when new heating units have been energized in buildings where the public are likely to be present, that work should be done after closing hours, or the building closed to the public.

This explosion brought nationwide attention. In the city of Detroit, it was pointed out that they have had a city ordinance for years and years covering this type of installation and they were quite surprised to see that in the province of Ontario that had not been included in the code.

Mr. Sopha: The hon. Minister said it was the best in the world, the best in the world.

Mr. Belanger: That is what we were told this afternoon, a very, very good code. Another recommendation states that: Any person or company operating under The Energy Act of 1960, province of Ontario, pertaining to gas transmission and pipe line codes and installation code for gas-burning appliances and equipment of the Canadian standard association, must strictly adhere to the above code.

I would certainly agree.

It was mentioned that we have a backlog of work in the city of Windsor—municipalities can only do so much. Sometimes though, some of these contractors know that the code has not been lived up to and they just go along saying, "Well, we got away with it in the past, let us try it again, let us try it again." I do happen to know that quite a few times people install or change their furnaces and the permit is applied for after the furnace has been in operation for quite a few months.

Hon. Mr. Macaulay: Would the hon. member care to tell me the names? I can have them looked into?

Mr. Belanger: Well, I would say to the hon. Minister that I had an experience myself, a personal experience, this year. The permit was applied for after the furnace had been installed.

Hon. Mr. Macaulay: Whose was that? The hon. member's own home?

Mr. Belanger: I did not install it myself because I am not capable of doing that.

Hon. Mr. Macaulay: No. But I mean, the hon. member says he has a personal experience. What experience is he talking about?

Mr. Belanger: I mean to say I changed my furnace in my home this year and I know the permit to install the furnace was obtained after the furnace had been installed.

Hon. Mr. Macaulay: Did the hon. member let the contract to the contractor who put it in?

Mr. Belanger: I left it up to the contractor. It is not up to me to get the permit, it is up to the contractor, not up to me.

Hon. Mr. Macaulay: I think the hon. member will find in law it is up to him.

Mr. Belanger: Pardon?

Hon. Mr. Macaulay: I think the hon. member will find in law it is up to him.

Mr. Belanger: Well, if this is true from that viewpoint, then I think quite a few people are going to have to be prosecuted in the province of Ontario. Because, after all, a layman is a layman. I am not a plumber, a technician. I know nothing of these things. I depend on contractors—goodness gracious, when a man builds a home, when he hires a contractor, does he have to go out and get the permit himself? Let us be realistic in this affair.

There have been some worthwhile recommendations in the jury's verdict, Mr. Chairman. I do not want to take too much time, but I do hope they are going to be considered and that the people who are guilty in this affair will be punished. I stress this because we certainly do not want to see a recurrence of this in the province of Ontario.

Mr. Lawrence: I wonder if I might take a contrary view on what the hon. member for Windsor-Sandwich just said. I want to commend very heartily the hon. Minister for

his prompt action in going down to the scene of the Windsor tragedy. Instead of any petty remarks about public relations or anything like that, I think hon. members of this House should commend the hon. Minister very, very strongly for going down there and taking the very personal interest in the tragedy that he did, which I think it is his duty to take. Regardless of what is said on the other side of the House, I want to commend him for it.

There is one matter that does alarm me. It is a question I brought up earlier, concerning any contractor, or for that matter any person, involved in the installation of any piece of equipment such as has been referred to. I would urge the hon. Minister to bring an amendment to the Act giving him discretionary power in an emergency such as this to cancel the licence—cancel the licence absolutely. I think the common law rights of individuals must be safeguarded. There should be some provision in the Act whereby a hearing of the energy board must be called, soon after, to either confirm or reject the decision of the Minister in cancelling a licence such as that.

But I think he acted in a way that should be commended by the hon. members of this House.

I find it most alarming, especially in view of the coroner's verdict and the judgment of the jury that the contractor in the Windsor area is still on the loose and can still legally take part in installations such as this. If a hearing of the energy board has not yet been held to cancel that man's licence and to go into the matter very thoroughly, and also perhaps cancel a few other licences, then the energy board should hold a hearing for such a purpose at the very earliest opportunity.

Hon. Mr. Macaulay: May I say to the hon. member that first of all the reason why a hearing did not take place before the energy board of the province of Ontario was, firstly, the man was in the hospital and at that time it looked as if there was a possibility of the man dying. It seemed to me that this was a rather inappropriate time for a hearing. On the other hand, safety certainly was involved.

Secondly, I understand also that the city of Windsor cancelled his licence. His rights do not extend beyond the city limits anyhow, and with the cancellation of his city licence there is no question of him being able to use the provincial licence.

The third point is that there was a hearing by the coroner's jury at that time into this very point, and until the coroner's jury

brought down its verdict it seemed rather *brutum fulmen* to be having two hearings on the same point.

Fourthly, notices are in the process of going out for a hearing in relation to this particular transaction.

I would like to say to the hon. member who has sort of made fun of my efforts about going down there and putting on a white hat, and so forth, firstly, I heard about this explosion, I think, at about 5.45 of the day it happened. I do not remember the hour it happened. What hour was it?

Mr. Belanger: It happened at 2.10.

Hon. Mr. Macaulay: At 2.10. I heard of it around 5.15 to 5.30. I was on my way north at that particular time.

I got off at a station and asked the chairman of the energy board to get there with all of our chief inspectors. Our people were on the scene by 10 o'clock that night, before the fire marshal or anybody else.

I kept in constant contact with my own executive assistant who was there. The Deputy Minister flew back from Washington to be there; and I came down on Friday. The reason I did not come before Friday was the civil defence people were in charge of bringing out the bodies and it was infinitely more important, it seemed to me, to bring out people who might still be living than to stand around sucking one's thumb trying to decide who caused the accident.

The only thing I could have done if I had arrived there sooner was to stop the rescue of bodies and try to find out how the accident took place. I had the best men in the country, some of them are here in the gallery now, the chief inspectors of our distribution and our utilization branch, and so on. There are engineers, there are some of the most highly qualified and eminent men—

Mr. Belanger: I am not criticizing that viewpoint at all.

Hon. Mr. Macaulay: The hon. member said I did not get there soon enough. I not only feel that we did enough, but I got there as soon as I had any right to say or do anything.

On the last point, the hon. member is quite wrong to say that I said in his presence that I did not have any statement to make, that I would make it in some hotel room. I said no such thing. There was a radio there at the time, and they asked me whether I would like to make a statement on the radio and I said no. The hon. member then went

over and implied that he would like to make a statement to which I judge that they did not say yes. I thereupon left.

Mr. Belanger: Wait a minute. The hon. Minister can certainly twist things around. I see the hon. Prime Minister is not the only one in this House who can twist things around, because I recall when the reporters went up to the hon. Minister he was not even by the public address system. He was down by the alley, at the back of the building, and when they asked him if he had a statement to make he said, "No, I will make a statement in the hotel." Then they asked him what room and he said he did not know, they should ask his assistant.

Mr. MacDonald: Mr. Chairman, before we leave this inspection matter, I wonder if I might ask the hon. Minister one question? We have been talking about the inadequacy of the inspection staff and I note the seventh recommendation of the coroner's jury is that an inspector with authority shall be present when a new installation is being energized. The hon. Minister gave us some rather impressive figures before about the number of installations that are made in this province, quite apart from reinspection.

Now, seriously, does the hon. Minister think that the kind of inspection requirements that we have been attempting up until now, plus the further ones suggested by this coroner's jury, can be met with the inspection staff he envisages in the estimate that is before us?

Hon. Mr. Macaulay: I would draw to the hon. member's attention that the jury refers to an inspector—an inspector—not any particular inspector but an inspector, either of the distributing company or of the municipality or of the province. Now, the law says that no gas shall be turned on until it has been inspected by the distribution company. That was not done in this particular case. The code requires it to be done. Now, the day we get inspectors on inspectors on inspectors, there are going to be more inspectors than there are going to be taxpayers in this country.

Mr. MacDonald: No trouble about that at the moment.

Hon. Mr. Macaulay: I say to the hon. member, quite seriously, the basic responsibility for inspection lies with the distribution company, and that is where it has been placed. In this particular case there were at least 2 sections of the code, if not 3, that

were broken, and I have referred to them today. One of them required that this gas, where it is turned on at the meter, shall not be used inside until it has been inspected.

Mr. MacDonald: Could the hon. Minister say that he would expect the official of the company to say the code had not been broken when he has 3 clear-cut cases of it?

Hon. Mr. Macaulay: I do not know whether that company broke the code or not. I know that the jury says it did. I am going to have people read the evidence to see whether they did, and if they did they will be prosecuted. If they did not, they will not be. It is that simple.

All I said was that the hon. member seemed to be quite surprised that when the jury found that they had been guilty of gross negligence the man stood up and said he was not, or his company was not. All I am saying is that I do not know whether he was or not. But is it not human nature for the man to get up and say, "No, we were not"?

Mr. MacDonald: It sounded like the hon. member for Russell (Mr. Lavergne).

Hon. Mr. Macaulay: That is all I am saying about the situation.

It being 6 of the clock p.m., the House took recess.

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OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, December 8, 1960

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 8, 1960

8 O'CLOCK P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF ENERGY RESOURCES

(Continued)

Mr. B. Newman (Windsor-Walkerville): I do not want to belabour this most unfortunate happening in Windsor's history by repeating everything that has been said by the hon. members of this House. However, I do hope that this misfortune will be a lesson to all and will lead to a much better series of rules and regulations respecting the gas industry in all its phases.

I must make the observation that, even though the coroner's jury in Windsor returned the verdict of gross negligence on the part of the heating and plumbing company—that is the installers and the Union Gas Company—I cannot help but mention that the action of the hon. Minister of Energy Resources (Mr. Macaulay) in suspending the licence of the installing firm was irresponsible. He, himself, has admitted that he had no authority to do so.

His remarks at the time of this explosion naturally led to the suspension by the city of Windsor of the licence of the firm involved. The small man has been taken care of, but what of the big man?

Surely the hon. Minister, as a member of the bar, should have known the limitations of his powers. After all we are supposed to have the best code in the world.

The "nose and sniff" test seems to be the only method which the Union Gas Company, and its subcontractors, use to detect breaks. Surely the public should expect, and the government insist, that any organization as large as the Union Gas Company should have the latest and best of apparatus for gas detection—not only have them, but be required to use them.

In the speech from the Throne there is mention that the first stage of a programme of licensing and training for those who install gas appliances has been implemented. Yet when The Department of

Energy Resources was set up approximately one year ago we understood that rules and regulations were being made to control gas installations. Now, one year later—10 deaths later, 80 injured persons later—I read that gas inspectors are taking courses, that all gas pipeline inspectors employed by the province have been summoned to Toronto for a 3-day review of the safety code and measures dealing with gas and other utility installations.

Is this not another case of locking the barn after the horses have been stolen? Does it always take disaster and misfortune to bring about proper rules and regulations?

I understand that both the hon. Minister and his Deputy will brief the inspectors on the laws relating to all heating equipment. I also understand that this is the first meeting ever called.

It certainly does look as if the episode back in the city of Windsor led to the calling of the meeting. Recent changes in laws governing pipeline installations will be stressed before the inspectors. I hope that such meetings will be held at much more frequent intervals.

In the city of Detroit, and I quote the mayor, Mr. Marianni:

We have insisted that installations such as the one where tragedy occurred—referring to Windsor

—would never be done while a store is open to the public or while anyone but essential personnel is on the premises.

I realize that, no matter what precautions are taken to avert accidents, there is no hope of guaranteeing 100 per cent immunity from human error. However, the possible consequences of that error should be anticipated and guarded against. And I hope in the coming rules and regulations that the hon. Minister will see to it that all the recommendations—I should not say "all" but those recommendations that can be readily implemented—be so implemented in the new gas code.

Hon. R. Macaulay (Minister of Energy Resources): Could I just say one word in relation to the hon. member's observations?

He has spoken about rules and regulations. The jury, in this case, has pointed out that 3 rules and regulations were broken and, if they had not been broken, there would have been no accident. The problem is obviously not a question of more rules and regulations.

The second point that my hon. friend mentions is that this is the first meeting, and that it was brought about by this unfortunate accident. It is quite correct that this is the first meeting. This department took over the responsibility of administering these Acts on September 1, some 80 days ago, and arrangements for the meeting were made as soon as the department took it over and somewhat ahead of this unfortunate accident.

All I can say is what I have said before, and to which a number of hon. members have referred, that the jury has made a number of recommendations and we intend to take the transcript of evidence and read it with great care, with two points in mind.

The first point is that of punishing the offenders whoever they may be, and the second point is that of carrying out whatever recommendations appear to be in the interests of our people.

I want to draw to the attention of the House that no other jurisdiction in Canada requires a building to be cleared before gas is connected in it.

Now, the Americans in some states have done this; in very many states they have not done it. Detroit has done it. This would not, however, have avoided the deaths or this accident. This accident took place simply because, despite the law, people were determined to drive on the wrong side of the street and, despite 30 years of experience, were prepared to disconnect a 2-inch main with an open fire in the corner.

I do not care how many years of experience the man has, how many laws or how many inspectors you have; if somebody does that in determination to accommodate those who may be pressing him, or whatever other reasons there may be, then we are up against one of the great problems of inspection that is very difficult to avoid. A man intent on breaking the law will break it.

Mr. E. Sopha (Sudbury): Mr. Chairman, in spite of the fact that the jury made a recommendation that these be done, that such alterations be made when the store is not open for business, I do not see how the—

Hon. Mr. Macaulay: We are perfectly prepared to entertain that; and if it needs to be done, it will be done. How much more do I need to say in that connection?

Mr. Sopha: I do not see how the hon. Minister can blithely stand there and say there is no use in making more rules and regulations when common sense demands that he add one, at least, that such alterations be done when the store is closed.

Hon. Mr. Macaulay: All I say is, would one more law on top of one more law have prevented it when the first law, had it been obeyed, would have prevented it in the first place?

Mr. Sopha: But when the store is empty is fundamental.

Hon. Mr. Macaulay: All that would have happened was that 5 or 6 people would have been killed. Would that have pleased the hon. member more?

Mr. Sopha: Well, I guess it would please the ones who survived. If only 5 or 6 had been killed instead of 10, I guess they would be pleased.

Hon. Mr. Macaulay: The hon. member can make all the facetious remarks he wishes to over these people's bodies. I am not prepared to do so.

Mr. Sopha: I say that common sense demands the implementation of that fundamental point, and I am not going to depart from that one iota.

Mr. V. M. Singer (York Centre): Mr. Chairman, I wanted to get the hon. Minister's opinion on a slightly different matter.

There has been some concern expressed to me by such people as civil defence personnel, firemen and policemen about lack of knowledge, lack of warning and lack of notice, in connection with industry which has begun to use uranium or fissionable material.

They have expressed a very serious concern that they might be called in to do rescue work or work of an emergency nature, and have no present notice or knowledge of factories or buildings that have fissionable material that might be turned loose.

In examining the Act I see that the hon. Minister presently has the power to pass regulations on this. It is a matter of grave concern to these people, and I wonder if the hon. Minister can tell us if he plans to do anything about it.

Hon. Mr. Macaulay: Actually I would say to the hon. member for York Centre that this is a matter both for The Department of

Labour and The Department of Health but, basically speaking, does not affect my department.

However, to this date the fundamental experience in terms of nuclear energy has been with the Atomic Energy of Canada Limited and their control board who administer every aspect of safety in the field of nuclear energy.

Although the hon. member may look up and find that I have power to deal with it, or The Department of Energy Resources has some powers, the basic responsibility in connection with nuclear energy and the safety related thereto is under a board which was specifically set up for this very reason. There is very little experience in this province to deal with it, as I do. These people have the experience and at this particular stage it is to them that we look in relation to this matter.

Mr. Singer: Mr. Chairman, it is very fine to say that it may be the responsibility of The Department of Labour or some other department. The fact remains that there are many factories across this province using nuclear material, and that at any time a fire or explosion could take place in one of them and firemen or policemen or civil defence people could be called upon to go in.

Hon. Mr. Macaulay: That is quite incorrect. There is no factory in this province that has enough uranium or refined plutonium to have an explosion. The hon. member is quite incorrect in that connection and in any event I draw to his attention, and I say this in a friendly way, that there is nothing in my estimate dealing with this matter. Perhaps we should therefore keep to that.

Mr. Singer: Mr. Chairman, I do not think the hon. Minister understood me and I will go over it again. I did not say there was enough nuclear material to form an explosion. I said that there could be a fire or an explosion or some other sort of a disaster affecting that building which could turn loose this—

Hon. L. M. Frost (Prime Minister): Name one.

Mr. Singer: Pardon?

Hon. Mr. Frost: Name one.

Mr. Singer: Any place that has it.

Hon. Mr. Macaulay: What place is the hon. member talking about?

Mr. Singer: Any building is liable to catch fire. The hon. Prime Minister knows that as well as I do.

Hon. Mr. Frost: The hon. member is talking through his hat.

Mr. Singer: Nonsense, nonsense. Mr. Chairman, surely the hon. Prime Minister can just be patient the same as any other hon. member of the House. You can have a fire in any building, a warehouse or any other building. When a fire gets hold of a building and beams come tumbling down, certainly fissionable material can be turned loose.

Hon. Mr. Macaulay: The hon. member is quite incorrect that fissionable materials could be turned loose on account of a fire. That is incorrect.

Mr. Singer: If beams or heavy structural material came crashing down on this material, why—

Hon. Mr. Macaulay: It would not make the slightest difference how much machinery came crashing down on any amount of uranium. It has nothing to do with the possibility of an explosion or isotopes which could do damage.

Mr. Singer: I would suggest to the hon. Minister that he should get together with his colleague, the federal hon. Minister of Trade and Commerce (Mr. Hees), under whose department comes civil defence, and immediately send out a directive to all the civil defence instructors, who are going out and instructing firemen, that this is a very serious danger about which something should be done. It is about time these various departments of government got together and agreed on something.

Hon. Mr. Macaulay: If it is the federal government that is making these pronouncements, and I do not accept them as being accurate, then perhaps they are the people to appeal to.

Mr. Singer: Sloughing off responsibility.

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like to call to the attention of the hon. Minister a matter which is admittedly much less serious than the very grave matter that we discussed for some time this afternoon and the beginning of this evening, but which is, nevertheless, important in its own way. It relates to the installation of gas appliances—that is, major gas-burning appliances, such as furnaces—in residential properties and other similar properties.

As I understand it, if one is to have a gas furnace or other substantial gas-burning appliance in his home, it is necessary that

his chimney be lined, otherwise there is a danger of—

Hon. Mr. Macaulay: The hon. member is incorrect.

Mr. Bryden: Apparently the hon. Minister considers that nobody knows anything except himself. I will admit that I am no expert in this field but I have acquired a certain amount of knowledge in the school of bitter experience.

It was in the metropolitan city of Toronto in relation to a property which my wife and I own as junior partners with a mortgage company.

We installed an appliance and discovered that the chimney was being eroded by the gas fumes. Furthermore, a certain amount of shale, or whatever you want to call it, fell down inside the chimney and partially blocked the vent creating what could have been a serious hazard. If the hon. Minister says that could not happen, well, it did happen.

Hon. Mr. Macaulay: I did not. I said that is not part of the laws of the province of Ontario. Any municipality may require a certain thing but it has nothing to do with this Legislature.

Mr. Bryden: Well, I am saying that in the interests of safety and in the interests of the protection of property it is necessary that a chimney be lined—if a gas furnace or other similar appliance is to be installed and used.

I am not the only one who ran into this difficulty. I know of at least 3 other people who ran into the same thing. One of them, as a matter of fact—

Hon. Mr. Macaulay: Does the hon. member suggest that every chimney of this province be torn down and relined?

Mr. W. B. Lewis (York-Humber): Has the hon. member inquired into the city of Toronto building bylaws? He will find the answer there.

Mr. Bryden: There is more to it than this. The hon. Minister apparently insists on making a public display of his ignorance. It is not necessary to tear the chimney down, but it is necessary to line it.

Hon. Mr. Frost: How would the hon. member line it if he did not tear it down?

Mr. Bryden: The hon. Prime Minister is in a very ugly mood very early in the evening.

I am telling him, again from personal experience, that a chimney can be lined for the purpose without being torn down, and that it is essential.

An hon. member: What do they line it with?

Mr. Bryden: They have a certain product—I do not know what the name of it is, but it is a tile that is inserted in the chimney.

This is apparently a matter of great levity to the hon. government supporters but I will complete my point more quickly if they will merely let me proceed. I still insist that it is a serious problem, and that dealers in gas appliances and also the Consumers' Gas Company permit consumers to go ahead and purchase gas-burning appliances without warning them of the necessity of getting the chimney lined.

In my own case, which I will again cite, there was no gas on the premises. The Consumers' Gas Company had to put in a line.

They knew that I was installing this appliance. The dealer knew. Neither of them told me of the necessity of lining the chimney.

I can only assume that the reason they did not do so was that it was going to cost me extra money, a not insignificant sum, to get the chimney lined. They are apparently so anxious to increase the sale of gas, and the sale of gas appliances, that they will let a consumer proceed without warning him of the danger he is incurring. They let him find out the hard way, as I found out myself when some damage was caused to my chimney.

Though not serious, a hazard was created.

I know of the case of another man who had seepage in the inside walls of his house. The seepage ran into the rooms of his house. He suffered quite serious damage, both to his chimney and to some of the walls. That may be a laughing matter to the hon. government supporters. I do not consider it to be a laughing matter.

The most recent case I have run into—

Hon. A. Grossman (Minister without Portfolio): We are laughing about the hon. member being a partner in a mortgage company.

Mr. Bryden: The most recent instance I have encountered occurred just this fall. The man in question had installed a gas furnace but he had not actually put it into operation. I was in a position to warn him of the danger he was incurring so that he was able to take steps before he ran into any serious trouble. But not all people are that lucky.

I submit to the hon. Minister, whether he wants to consider it or not, that it is unfortunate and wrong that the Consumers' Gas Company or any other gas company or dealers in gas appliances should proceed to install these appliances without letting the consumer know what he is getting into.

To let him find out the hard way, when it is very likely going to cost him considerably more money than it would have done in the first instance, is certainly a practice that should not be condoned by the department or anyone else.

I do not know if the regulations make any provision with regard to taking adequate precautions to protect chimneys from erosion caused by the fumes from gas-burning appliances, but I submit to the hon. Minister that is a matter that should be considered. There should be some steps that can be taken against someone installing an appliance who does so knowing full well that the chimney is not properly equipped to handle the fumes.

Mr. Lewis: Mr. Chairman, this is not politic. These are the building bylaws of the city of Toronto he is talking about. If they have modern bylaws, which they have, when they take the permit out to install that gas furnace, that is taken care of. This is ridiculous.

Mr. Bryden: It is not ridiculous! It is happening, and I submit it is a matter relating to gas installations. It may also be a matter relating to building bylaws, but it certainly relates to the safe operation of gas appliances, because they cannot be operated safely if adequate precautions are not taken with regard to the chimney.

Now I can see that the hon. Minister is totally unconcerned about this problem. But nevertheless, Mr. Chairman, I would like to assure him, through you, that it is a serious problem and is one that ought to receive some attention from him and his department.

Hon. Mr. Macaulay: I do not know why it was necessary for the hon. member to make that rude remark about me being entirely unconcerned about this. If I must say the things the hon. member wants me to say as well as look the way he wants me to look, there will not be much left in this world for individual decision. I would, however, draw the attention of the hon. member to the fact that, on page 34 of our code, there is a provision:

Unlined chimneys shall not be used unless approved by the enforcing authority.

This decision is one that is made by the municipality of the city of Toronto.

Mr. Bryden: Just before we leave that point, Mr. Chairman, what procedure should a consumer take? One of the difficulties—I will speak for myself and others I have talked to—is that the consumer has no idea of the need to have his chimney lined until he finds out the hard way. Now, can he lay a complaint? What steps can be taken when he suffers this unfortunate experience?

Votes 601 to 603, inclusive, agreed to.

Hon. Mr. Macaulay moves that the committee do now rise and report certain resolutions and ask for leave to sit again.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, before you place the motion, may I ask the hon. Minister whether it is his intention to pursue either immediately, or some other time during the session, the Hydro report that he filed a few days ago?

Hon. Mr. Macaulay: I would say to the hon. leader of the Opposition that we will now, as I understand it, report what progress we have made after which there will be some other proceedings in the House. Then we will go back to the committee decision of the report.

Mr. A. Wren (Kenora): Can the hon. Minister tell us when we will receive a copy of the Hydro report?

Hon. Mr. Macaulay: I was instructed that every hon. member was mailed a copy last August.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, at this time I would like your permission to revert to the orders of the day and to introduce to this House the member-elect for the electoral district of Temiskaming (Mr. Hoffman).

I might make this explanation to the House. I understand that, this afternoon, the third reading was given to the bill amending The Legislative Assembly Act. The introduction of this member, according to

the legal opinions I have, was not dependent upon that Act. But it seemed to me it was proper, for the matters to which we gave consideration in this House, arising from a situation connected with the member-elect, that I should not introduce him to the House and have him take part in the deliberations until the matter was resolved.

Now that may seem to be remote, but I felt it was in keeping with the rights and dignity of this House.

The bill has reached third reading and it only awaits Royal assent, along with other bills which will reach that stage in due course. So, sir, at this stage, where the House has reached the end of its deliberations on the relevant stages of that bill, I think now it would be proper that I should introduce the member. I would ask your permission so to do.

I beg leave to present Mr. Philip Hoffman, who has taken the oath and signed the roll. Will Mr. Speaker revert to that order?

Some hon. members: Hear, hear.

Hon. Mr. Frost: Sir, may I have permission to escort the member to this House?

Philip Hoffman, esquire, member for the electoral district of Temiskaming, having taken the oath and subscribed the roll, took his seat.

Hon. Mr. Frost: Mr. Speaker, I have the honour to present to you, Mr. Philip Hoffman, the hon. member for the electoral district of Temiskaming, who has taken the oath and subscribed the roll, and now claims his right to take his seat.

Mr. Speaker: Let the member take his seat.

Hon. Mr. Frost: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of supply.

I might explain to the House that this is for the purposes of going into that portion of the estimates which would affect the Hydro-Electric Power Commission of Ontario, of which the hon. Minister of Energy Resources (Mr. Macaulay) is a member.

I think, in connection with what we agreed, we should give the House the opportunity of discussing the matters based generally, as I understand it, upon the reports of the Hydro-Electric Power Commission of Ontario.

Motion agreed to; House in committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

Hon. R. Macaulay (Minister of Energy Resources and Vice-Chairman of Hydro): Mr. Chairman, the report of Ontario Hydro was tabled two days ago after circulation, last August, as I was advised, to all the hon. members of the Legislature. I would like, if I might have the permission of the House, to report briefly on the major activities of the commission during the early and latter part of 1960. After this, if the hon. members opposite or any hon. members in this House have questions which I may answer, I would be very happy to do so.

Mr. Chairman, Ontario Hydro at the beginning of 1960 had available for operation 66 hydro-electric and two major thermal generating stations.

It is responsible for approximately 90 per cent of the electrical energy supplied for consumption in Ontario.

Ontario Hydro's capacity has been increased from 1,842,500 kw in 1943, by 234 per cent, to some 6.1 million kw at the beginning of 1960. It will be an estimated 9 million kw at the end of 1965. These figures are rounded; actually they are a little more or a little less, in certain cases.

Mr. Chairman, the demand for electricity has grown from 1.7 million kw in 1943 to approximately 5.5 million kw at the beginning of 1960. This is an increase of approximately 218 per cent and, by 1965, we estimate that the amount will be somewhere in the neighbourhood of 8 million kw.

Higher standards of living, Mr. Chairman, are enjoyed by the people of Ontario. The number of appliances which can make use of electricity, as a result of the abundance of electricity at reasonable prices, has increased greatly since the end of World War II.

There has been an increase in the annual average municipal domestic consumption of electric energy from about 2,100 kwh a customer in 1943, to something like 5,500 kwh in 1959. This is an increase in the use of electricity in this province of approximately 152 per cent for a person living in a municipality.

It has been estimated that a healthy man, working for 8 hours, can produce the equivalent of .75 kwh. This means that, in terms of electric energy at current rates, the work done by a man labouring steadily for an average work day would cost less than one cent.

Ontario Hydro last year supplied more than 16 billion kwh to industries in the province.

If we take the working year as 240 days, we find that this is equal to a work force of approximately 90 million people.

It has often been said that the per capita consumption of electricity is a fair indication of the prosperity and high standard of living of the people.

As I indicated this afternoon, normally one can trace economic history throughout this country, and throughout other countries, and find that where there has been a high standard of living this is accompanied by abundant energy and at reasonable rates. But in places such as India and many Asian countries, where there is a low standard of living, there is either very expensive energy or it is in quite short supply.

Now by this measuring stick, few areas in the world actually can compare with this province of Ontario in terms of consumption of electricity.

We, per person, consume in the province of Ontario approximately 6,000 kwh a year. This is higher than the rest of Canada, this is higher than any area in the United States, this is higher than Great Britain and it is 4 times as high as in France.

There is only one other country in the world which consumes as much electricity as that consumed in the province of Ontario and that is Norway; and Norway has no other energy resources, such as coal, gas or oil, in any quantity to take the place of those which are consumed in quantity in this province.

It is interesting—and I think it would be thought to be significant by this House—to note these advantages which the people of Ontario enjoy in relation to those less fortunate ones living in other nations in the world. Some 6 million citizens in the province of Ontario consume more electricity than 670 million people living in China.

In terms of the development of load trends—that is, the development of power consumption in this province—the growth of the power demands in this province have been in the neighbourhood of 8 per cent. They were in the neighbourhood of 8 per cent in 1959 and they were somewhat lower this year, although it is not yet complete—nevertheless, the average over 55 or 54 years has been in the neighbourhood of 6 or 6.5 per cent, which is a tremendous increase.

I think that this nation as a whole would be satisfied if our gross national product could keep pace with the development of the consumption of electricity in this jurisdiction.

In terms of new generation—that is generation which is now under way, or will be under way this winter, or is about to come under the advances of our construction project—I would want to say this—because these things add to and are important in relation to winter works projects, unemployment and general development of this province: Today, in 1960, we have added approximately 420,000 kw of electricity to our load.

We have, as I indicated at the beginning, something in the neighbourhood of 6.1 million kw and we have added, in one year, 420,000 kw of new generation. An additional 20,000 kw is scheduled at the end of this year, within the next few days, at Red Rock falls.

In this year, in January, 200,000 kw of electricity were put into service at the Richard L. Hearn plant in the city of Toronto; and, in September, an additional 200,000 kw of the 420,000.

Some 20,000 kw are going into play very shortly and 20,000 kw went into play from Red Rock in the fall.

The current plans call for 2.25 million kw to be added during the next 6 years. That is one of the points to which I would like to make reference, because this affects a great many hon. members in this House, some on one side, some on the other. But we are all equally devoted to the even and fair, just and equitable, development of this province. Certainly it cannot be said but that electricity in abundance and at reasonable rates, or certainly as reasonable as is possible, is one of the greatest and most noble contributing factors to the even development of our industry.

Therefore some of these sites, whereas they may not be of compelling interest to certain hon. members, may be of very great interest to others.

I would now like to refer to a programme, which is under way, involving about \$1 billion of the money of the people of this province.

First, there is an extension to the Hearn plant in the city of Toronto—four 20,000 kw units which will bring the ultimate capacity of this plant to 1.2 million kw, one of the largest plants of its kind in the world.

The first unit was placed in service in 1959, and two more were placed in 1960. The final one will be in September, I believe, or perhaps the spring or summer—it is a little difficult to be accurate in these predictions—in any event, in 1961.

The second programme which is of great interest to a number of hon. members is the one which is nearing completion at Red Rock falls, on the Mississagi river. This is a generating station which will produce when it is finished about 40,000 kw in two units.

One unit was placed in service this fall in November, 1960, and the remaining one will be placed in service in January of 1961.

The third programme, which is of interest to the hon. members from the Ottawa valley, is NPD 2, the nuclear power demonstration plant at Des Joachims.

This is a hallmark really of progress in Canada, in terms of nuclear energy. This is a great stride towards breaking the bonds which have bound traditional energy resources in the free-speaking world, the English-speaking world.

The generating station will come into force, or on to the line as the engineers say, we hope some time in the summer of 1961. It will produce about 20,000 kw of electricity.

This has been a co-operative effort between Hydro and one of the manufacturers, the Canadian General Electric Company, and the federal government. Some 20,000 kw of electricity will be produced, enough to carry on the normal electrical business of a fair-sized city.

The fourth is the Lakeview generating station which, when it is completed—and I referred to it this afternoon—will be one of the largest of its kind in the world, if not the largest.

This is a thermal plant; that is to say, it burns coal. It will have 4 generators, each of which is rated at some 300,000 kw. One unit is scheduled for service in the fall of 1961, the others for 1962, 1963, and 1964.

The ultimate capacity of 1.8 million kw is expected to be reached somewhere in the neighbourhood of 1965.

This station is also capable of increase to an even greater rating than 1.8 million kw. This is twice the kilowatt production which is obtained by Ontario Hydro from the St. Lawrence river. Or, put another way, this single plant to burn coal outside of the city of Toronto—which will cost some \$250 million—is capable of producing electricity equal to the whole flow of the Niagara river.

An additional plant is the one which we have been building now for some few months at Otter rapids on the Abitibi river. This is scheduled to go into service in the fall of 1961 and its ultimate capacity by 1963 will be about 172,000 kw in 4 units.

I mention these units because we had

some opportunity this afternoon of speaking about the size of units. I would want the House to know that there are certain size units for certain jobs, and although certain units such as 40,000 kw or 50,000 kw, or 60,000 kw in 1947 and 1948 were an admirable size, today 500,000 is a rateable figure in the United States, and we are approaching it here very quickly in our own jurisdiction.

An additional generating station is that of the Little Long rapids generating station on the Mattagami river.

There are 3 stations on the Mattagami river which we are now undertaking. They will become basically efficient only when they are all integrated, because the head ponds must be related to get the maximum benefit of the flow between the 3.

The Little Long rapids generating station which is now being constructed on the Mattagami river will produce about 114,000 kw of electricity and will come into production in 1963 in two units.

Farther down the Mattagami river will be the Harmon generating station. It will come into service in 1965 and it will have 110,000 kw in 3 units.

The last of this set of triplets is the Kipling generating station, again on the Mattagami river. This will come into service in 1966, with 132,000 kw in 3 units.

Now there are two others which are of very great significance. One is the Thunder Bay generating station which is interesting, I know, to the hon. member for Fort William (Mr. Chapple) and the hon. Minister from Port Arthur (Mr. Wardrope), as well as to other hon. members from northwestern Ontario.

The Thunder Bay generating station is perhaps one of the most unique in the system of Ontario Hydro. It is being built at the head of the lakes and its capacity is 100,000 kw.

It is scheduled to come into production in the summer of 1961, and its site is suitable to produce ultimately about one million kw of electricity. It is a very large station indeed.

It is unique in that it can be fired either by gas or by coal.

There are rates by the hour, by the minute, and so forth, in relation to gas; and the fuel which is the least expensive at any given moment will be the fuel consumed in this generating station. It is a most interesting generating station in the sense that it can be alternately or simultaneously fueled this way.

The last generating station forming part of this approximately \$750 million programme, now adding to the economic prosperity of this province, is the Douglas Point nuclear power station. This is sometimes known as CANDU. The "Can" stands for Canadian and the "du" stands for deuterium. Deuterium oxide is another term for heavy water, therefore, CANDU stands for the Canadian plant using deuterium oxide.

This is a generating station which will produce about 200,000 kw of electricity. It will be the largest of its kind in the world, and will be the only one of its kind so far, apart from the NPD plant on the Ottawa river at Des Joachims. It is scheduled to come into production at the end of 1964, or the beginning of 1965.

It is being constructed by Atomic Energy of Canada Limited, in co-operation with Ontario Hydro—which will purchase the plant after the plant has been in operation, and has proven to be of equally efficient value to a thermal plant of similar capacity.

This total programme, Mr. Chairman, is one which is providing many thousands of jobs quite apart from the 15,000 employees of Ontario Hydro.

It will involve an expenditure, ultimately, of \$600 million to \$750 million, not including a number of other associated capital expenditures such as the extra high voltage transmission line necessary to carry power down from the Mattagami river to Sudbury. This will be of great interest to the hon. member for Sudbury (Mr. Sopha), whose sentiments I reciprocate.

Another point to which I would like to make reference is that of the St. Lawrence power project. The hon. members of this House followed—with great interest, I believe—the development of the St. Lawrence power project because it was unique of its kind in the world; and, completed as it was in 1959, there is still work going on in relation to the generating system. As the tailrace—that is, the downstream side of the generating station—is scooped out, the water will fall faster; and as it falls faster we will have the capacity of creating greater energy. This work we expect to be finished in 1961.

There is work going on in relation to the riding of the hon. member for Stormont (Mr. Manley), in terms of the waterfront at Ingle-side; and it may be that the hon. member will want to ask some questions in relation to that.

I think he realizes that the work is very near completion and we are hoping, if it cannot be completed in this winter period,

that the sodding, and so on, will be completed by the spring. I am very hopeful it will meet the hon. member's wishes on behalf of his constituents, and that it will seem to be a job which has been done well.

I would like to make reference to the extra high voltage transmission line which is necessary to carry the power from some of these sites in the far northern portions of Ontario down to the areas of Sudbury, and other areas where the demand for power is great.

During 1960, Mr. Chairman, it was decided to proceed with the development of generation on the Moose river system, and plans began to crystallize for the first stage in the development and incorporation of this generation into the transmission system.

This was a very imaginative programme, and one that was very challenging to the engineers, because where traditionally in Ontario, we had carried power at some 230 volts, it was necessary to avoid too great a loss to carry this power at a very much higher rate.

The experience, which was obtained by visits to other jurisdictions in the world by those who had the responsibility engineering-wise and administratively was of very great significance. As a matter of fact, we are pioneering, in this province, for the North American continent in terms of extra high voltage transmission.

In any event, this first stage comprises the development of a total of some 528,000 kw of dependable capacity by 1966, on the Otter rapids area, on the Abitibi river and the other generating stations to which I have made reference—Little Long rapids, Harmon and Kipling on the Mattagami river.

Mr. Chairman, the output of these plants will be gathered over a 230,000-volt transmission line to a new terminal station at Pinard, to be built near the Abitibi canyon station. Because of the large potential capacity for economic development on the Moose river system, a 460,000-volt extra high voltage transmission line will be constructed to deliver power, from the areas where it has been gathered, towards southern Ontario, commencing at Sudbury.

This may sound like something quite ordinary, but it is quite extraordinary from an engineering point of view. This is pioneering at the highest and most admirable level in this country.

For the initial stage, a single-current, 460,000-volt line will be constructed to Sudbury. The transmission line south from Sudbury will be of special design which will permit it to be used as a double-circuit,

230,000-volt line initially, and to be changed to a single-current, 460,000-volt line.

The line from these 3 or 4 stations will be scheduled for service in the fall of 1963, and will be initially operated at 230,000 volts—which is traditional for Ontario Hydro in its high voltage—and, ultimately by 1965, at quite the unusual voltage for this continent, 460,000 volts.

Mr. Chairman, leaving the high voltage and extra high voltage transmission in northern Ontario, I would like to make reference to certain other matters including rural transmission, farms that have been added to our system, numbers of customers and so on.

The increase in transmission lines in 1960 is not as great as that in 1959. However, it is significant—some 115 to 120 miles of high tension line.

In terms of rural supply, which of course is of great consequence in this province, the rural construction in 1960 has been extensive. There have been 415 miles of line built, and 15,800 customers added, compared to the 697 miles and 20,000 customers for the same period in 1959.

The total programme for 1960 provides for the addition of 22,700 customers and 800 miles of line, which will exceed that of 1959. We are always a few weeks behind in indicating these figures, and I am only able to give the most recent figures I have.

I think the hon. member for Brant (Mr. Nixon)—and others who have been in this House for a number of years and served it with great distinction—as he looks back on the history of Ontario Hydro—and he as well as every hon. member in this House has made his major contribution to the benefit of this system—will look with great satisfaction upon something that happened this year.

I think it is rather significant that this year, for the first time, farm customers consumed, on the average per customer more than was consumed in the municipalities. This is a rather significant feature because it indicates the rising use of electricity on the farm. In fact the amount that the farm customer has consumed is in the neighbourhood of 5,700 kwh; and the “city slickers,” so-called, have consumed 5,400 kwh. For the first time in the history of this province the farm consumer on the average has consumed more power than the city dweller.

Rural construction in 1960 was important, and as I have indicated to you, Mr. Chairman, a great number of customers have been added to the line.

Mr. Chairman, at the end of 1960 there were nearly 500,000 rural customers and the

miles of line which have been erected to serve these customers is very close to 48,000 miles—the greatest number of rural customers supplied in any comparable jurisdiction over such a large number of miles of line.

In addition, Ontario Hydro, while expanding this service to the outlying districts of this province where the load is approaching 99 per cent, has been successful, I believe, in keeping power rates low in relation to the rising cost of its operation. Indeed it is not as low as many would want, but indeed as low as any other jurisdiction is able to boast and in fact lower than any comparative figures that I can find. Since 1940, in fact, the consumer price index has risen by 93 per cent in this province, whereas the unit cost of electricity to our farm customers in the same period has decreased by 20 per cent, and that is an extremely significant figure.

The consumption of power by the farmer has doubled in the last 10 years. This is a situation not unrelated to the fact that the average cost per kwh to our farm customers, at 2.01 cents per kwh, is among the lowest in the world and less than the average cost per kwh to many residential customers in the great majority of the important cities in the United States.

In terms of capital construction, Mr. Chairman, in 1960 the commission will spend in the neighbourhood of \$142 million. These are some isolated matters which, although important to the administration of the Ontario Hydro, I felt would be equally important to the House and perhaps might obviate some questions which otherwise might most properly have been asked.

With the rise in interest rates, efforts have been made to reduce borrowings and, in 1960, \$100 million was borrowed by Ontario Hydro as opposed to \$125 million last year, although the capital programme is almost the same size.

In terms of rates, Mr. Chairman, I would like to say, if I may, that rising costs and the aim of distributing these equitably among our customers resulted in adjusting rates in 1960 to some customers—firstly to municipal customers as a result of higher costs of a continuing nature as opposed to a higher cost trend which could be anticipated to stop, such as bad weather conditions, stream flow conditions, or some other temporary economic conditions. In terms of continuing upward costs, an interim charge for power to many municipalities in southern Ontario became effective in 1960, increasing their rates.

In terms of rural rates, the nature of electrical service to summer cottages has meant that the cost of installed facilities must be paid from revenues obtained during a very few months.

Now this seems to many cottage owners to be a difficult situation. They leave the city where their rates are low and they go to the cottage where their rates seem considerably higher. What they overlook is that the lines leading to their homes and the service to their homes in the cities is a continuous project and the costs are written off over a 12-month period.

In terms of summer cottages these have to be written off over a 4-, 6-, or 8-week period because the costs of the line are just the same. For this reason, rates for summer cottages obviously cannot be similar to the same favourable rates which obtain on farms where the power is consumed over the whole year.

In relation to direct industrial customers—of which Ontario Hydro has a number—effective November 1, the rates to a number of mines, pulp and paper companies in northern Ontario were increased, as were rates to industries in southern Ontario, to municipalities, and summer cottage power users.

Now in terms of employees, Mr. Chairman, the number of employees of Ontario Hydro has dropped in recent years. The amount today as compared to last year, is something in the neighbourhood of 15,100, as opposed to 15,800 last year. This is accounted for in a number of ways, particularly in terms of the number of contracts which are let to outside contracting firms as opposed to carrying out the construction work internally.

I think I have an obligation which I am more than happy to honour by making reference to the tremendous efforts which were made by many hundreds of Hydro employees who worked around the clock last winter during the two most severe ice storms Ontario Hydro has ever sustained.

The first was on December 27, followed by another on January 22, almost a month later, when the system had hardly recovered from the first ice storm. Some 48,000 commission customers and some 60,000 municipal customers were affected—over 100,000 in all. And the total cost of repairing this damage was over \$1.5 million.

We had hundreds of men who worked around the clock, who worked 8, 10, 12 hours over the time that they normally would have worked. They worked on weekends to do what was not expected of them but which

had been asked, because they had a great belief that this system could not be defeated by the problems involved in ice storms. And it was really a great tribute to be associated with these people. I could not help very much with their labours, but at least I could be on the scene and on the job with them, because they were determined that Hydro during these circumstances should not fail.

Although we were flooded with requests to assist many areas, I think that most of the hon. members of this House will agree that the men and women acquitted themselves with great honour and great dignity.

I would want just in closing to make some short reference to 2 or 3 other isolated matters.

The first is the Carillon power development at Hawkesbury. In 1943 an agreement was entered into by the then government of this province and the then government in the province of Quebec for the division of water sites on the Ottawa river. Certain sites were allocated to the province of Ontario and certain sites were allocated to the province of Quebec. Ontario immediately carried out the development of its own site and the last site to be developed is the one under discussion, at Carillon near Hawkesbury which is a site allocated to the province of Quebec. This is a large generating station which will produce a large amount of electricity for the province of Quebec.

When these agreements were entered into in 1943, it became generally known that a large area of Hawkesbury and the Ottawa river would be flooded in order to provide the head pond, that is the back-up water behind the dam on the Ottawa river, for this Carillon site. As a result of that, in 1959 when Ontario Hydro was advised by Quebec Hydro that it wished us to acquire the land which would be flooded by this back-up of water, it was necessary to make one of two decisions: First, whether it would be more proper to see whether a dike could be built to save some of this land, or whether in accordance with the agreement it should be flooded.

It was ultimately decided that in view of the fact that these lands had been "condemned," or in any event that is the word that lawyers frequently use, certainly in Quebec—condemned or notice given of their expropriation—as much as 17 or more years ago, and the communities having developed upon this information and having been based upon it, that the proper procedure was to honour these agreements. After all, they were the subject of considerable controversy some

17 years ago and it seemed unwise to rehash this matter all over again.

Therefore, the agreements are to be carried out and as a result of it a portion of the city of Hawkesbury is to be flooded and Ontario Hydro is proceeding now to acquire this land and the land downstream necessary to provide the head pond.

I would just conclude with two observations. One, Mr. Chairman, is of very great importance, and I hope that every person in this province finds some satisfaction in it. While the annual consumption of electricity in Ontario for people in the cities has gone up about 150 per cent in the last 15 years and on the farm about 207 per cent, nevertheless the average cost per unit of electricity in the cities has gone down in the last 15 to 17 years about 7 per cent, and on the farms about 18 per cent.

This is a rather remarkable figure in the face of the fact that the cost of living in this country has gone up in the neighbourhood of 93 per cent.

Now, the last matter to which I wish to make reference is in terms of the high voltage lines on farms and farm easements. For many years Ontario Hydro has had a programme of easement payments for high voltage lines and other lines in the country. A year and a half or more ago the federation of agriculture, led by a number of hon. members of this House on both sides, approached us with reference to the increase in the payments which should be made for these easements.

The hon. member for Brant has spoken about this. He felt that the payments were not sufficient. I do not know whether he would feel they are sufficient now. In any event they are considerably better, and I had very much sympathy for the position which he very ably spoke of in this House.

When the federation of agriculture representatives came to the commission, the commission was sympathetic and understanding of the position which they represented. Ultimately a new agreement for easements was enacted which I know has met with the approval and support of the federation of agriculture and I believe of the hon. members of this House.

In that connection I want very much to thank a number of hon. members without mentioning them—they will know that I appreciate what they have done without my mentioning their names—who were very instrumental in assisting me in bringing about such an agreement. Not that it was a hard thing to bring about with the balance of the commission, but the advice and recommenda-

tions of hon. member of this House in all parties who are farmers was of very great importance.

I can only say to this House that these are some of the points which occurred to me which may be of significance. If there are others, I assure hon. members I shall do my best to answer anything they may have to ask.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I would appreciate the opportunity firstly to commend the hon. Minister for his presentation tonight and the introduction of this particular subject matter which I feel is of great importance to this Legislature. The hon. Minister has been commended many times and I gladly join in again offering my congratulations to him for the manner in which he is conducting his department. His intelligence and his ability are known to all hon. members of this House, and I think are something that we all appreciate.

Secondly, I would make the observation that it is a pleasure for the Opposition particularly to have the opportunity, I think for the first time, of debating this very important subject in this Legislature. I think it was the Gordon commission last year which suggested that a closer check—if I might speak very simply—should be exercised by this legislative body. How that is to be accomplished is difficult to know. It is a complex matter, but I think this at least is one step in the right direction. For introducing this method of discussing Hydro and its economic contribution and its economic significance, I again commend the hon. Minister.

Mr. Chairman, there will be many hon. members who will wish to speak on this subject, I am sure, and without further introductory remarks I would like to get down to the substance of what I want to say this evening.

I would tell you that I would like to talk for a little while about the matter of foreign purchases by Hydro. I would like to talk about CANDU, about the Carillon project, and about the industrial cost of Hydro in this province.

Mr. Chairman, the hon. Minister has ably outlined the fact that, as I understand it today, the generating capacity of Hydro is in the approximate amount of 6 million kw per year. I believe that the hon. Minister on other occasions has suggested that by 1980 we will be consuming about 21 million kw, of which approximately 7 million kw, or a third, will be developed by hydro-electric

energy, one-third or 7 million kw by thermal power, and one-third by nuclear power.

I am not an engineer and I am not as schooled in this subject as the hon. Minister—but I think at least it gives me an opportunity to grasp the magnitude of this project. By 1980, which is 20 years from now, we will be consuming 3 times the electrical energy that we are consuming at the present time, and of course will have to generate it.

Apparently in the development of hydro-electric energy in Ontario we will no longer rely on hydro-electric methods, water power. We will rely on thermal or heat methods of developing energy, and nuclear fission.

Now, Mr. Chairman, the first point I would make is this. I believe the hon. Minister advises that the immediate stress will be on thermal development. He talked about the Lakeview project, he talked about the Richard L. Hearn project. These are fabulous projects, projects that will develop as much as, in his words, that which is being developed at Niagara at the present time or the St. Lawrence.

Now my understanding, Mr. Chairman, is that with respect to these projects the capital cost involves the generator and the construction of the generator—construction costs of extraordinary amounts. I think at Richard L. Hearn the generators are something like 150,000 kw and there are something like 6 generators. At Lakeview 4 generators will cost about \$5 million each.

The first point I want to make is simply this, that to the best of my knowledge all of these generators have been purchased abroad, they have not been purchased in Ontario nor in Canada. To give some concept of the significance of the magnitude of this work, I would point out they did not only cost \$5 million apiece, for each 300,000 kw—am I right?

Hon. Mr. Macaulay: In thermal generation I think the hon. leader of the Opposition can take as a rough guide something like \$200 per kw.

Mr. Wintermeyer: Well, all right. But let us translate that. My understanding, Mr. Chairman, is this: When we translate it on that line it does not sound like very much, but am I not right that the thermal project at Lakeview will cost in the neighbourhood of \$384 million?

Hon. Mr. Macaulay: I would think that was a fair figure. I marked it down here. I think Lakeview was closer to the figure of \$250 million.

Mr. Wintermeyer: Quarter of a billion, per generator?

Hon. Mr. Macaulay: No, \$250 million for the whole station. The price of \$200 kw, times 300,000 would be \$60 million, would it not?

Mr. Wintermeyer: Now, Mr. Chairman, the first question that I would ask of the hon. Minister is, whether or not any of these generators have been constructed or built in Ontario? Or Canada?

Hon. Mr. Macaulay: I think the generators which are going into the Hearn plant and the Lakeview plant have been on the whole English purchases. The question of whether they can be purchased in Canada is the other matter to which the hon. leader of the Opposition will no doubt refer.

Mr. Wintermeyer: Mr. Chairman, I will try to give to the House in very simple language the information that I have accumulated. I must introduce this by saying it is a technical subject and I am not as familiar with the technical terms as the hon. Minister is. To the best of my knowledge and information, these units have basically been acquired in England, from the English Electric Company, I think, and maybe one other company.

To give some idea of the work that goes into one unit, I am told that they would require about 2 million hours of manual labour each to actually make, and then about 2 million man hours of work to wire and put into operation.

Now, Mr. Chairman, when you think that our winter works programme last year provided work for 9,000 men, over an average period of 40 weeks, we have a total of about 2.9 million work hours. One of these generators will produce as much work in Ontario as our entire winter works programme, and yet, to the best of my knowledge at the present time, none of these generators has been built in Ontario or Canada. Several orders are immediately up for bids and tender.

I would think that the House should have the advice of the hon. Minister to know whether or not the government is prepared to undertake publicly to reject all orders except Canadian orders.

Now, remember this, I know that the Canadians will bid a little bit higher than the English, but I would point out that it is my understanding that, with respect to some of the generators that have been constructed in Canada, the English domestic price was

literally higher than the Canadian domestic price.

To reduce it to simplicity I think it is related to a kilowatt hour again. The English domestic price on the generators was \$22 per kw. The Canadian quotation was \$17 per kw. But the English firm, knowing that it could sell in Canada in a subsidized fashion, yes, actually sold to Hydro for less than the \$17.

In other words, they were doing what we normally complain of. "Dumping"—in plain language.

In England, they would have had to charge \$22. The Canadian price was \$17 and they sold to Hydro for something less than \$17.

Now I ask you, Mr. Chairman, is that the sort of economic development that we want at a time when we have unemployment, at a time when we are looking for development here in Ontario? And, I say, Mr. Chairman, the hon. Minister, the government, should take a stand on this.

It is my understanding that 2 or 3 additional generators are going to be bid on in the near future. My personal opinion is that this House should insist that the government give those orders to Canadian manufacturers.

Remember this: Until the Canadian electrical industry has an opportunity to really build a generator—and these are fabulous jobs—they are never going to gain the experience and they are never going to be in a position to improve on their know-how and their ability to actually build these generators.

I do not think there is any reason why they cannot do so. I think they have the technical knowledge and the skill, and when we think of the man hours—2 million man hours per generator going into a project of this sort—what would it mean to General Electric or Westinghouse in this very province to add 2 million man hours of work to their labour force during the next year or two years?

It seems to me that price is not all determinate. This is people's money we are using. These companies are expected to pay taxes, these companies are expected to contribute to our industrial development. And yet, we hand the project to an English firm or a foreign firm that pays no taxes here, makes no real contribution and hires labour other than Canadian labour.

Mr. Chairman, this is one of the things that I think we should debate very seriously in this House. I am very much concerned about it. It seems to me that it is fundamental to the concern of this House to know the

position and the attitude of the government in regard to the generators that are going to be constructed in the near future for Lakeview and the Richard L. Hearn locations.

I am not sure, Mr. Chairman, exactly how you wish to proceed. I told you there are a number of subjects I wish to touch on. This is one of them.

It may well be that at this stage the hon. Minister might make a statement and advise me whether or not my computation of figures is accurate. I would like to know at this stage whether or not I am right when I say there are 2 or 3 generators to be called for tender in the near future.

If that information is correct, then I would like to know of the hon. Minister whether it is the government's intention to confine those tenders to Canadian companies exclusively or not.

Mr. Chairman, I wish your instructions in this respect. It may add to the discussion to permit the hon. Minister to make these answers as we go along rather than wait until the end. That, however, is in your determination and the discretion and wishes of the hon. Minister.

Hon. Mr. Macaulay: I think perhaps it might be best if the hon. leader of the Opposition finished his observations because there may be other hon. members following. I know the hon. member for York South (Mr. MacDonald) has indicated that he wanted to refer to this precise point—and it might be best if all of the hon. members finished their comments and I shall do my best to answer them as I can.

Mr. Wintermeyer: Mr. Chairman, this is an informal proceeding and I am quite prepared to proceed in that fashion. But I simply reiterate this first point, that my understanding is that two additional generators are up for tender at the present time; very large generators. These generators are in the neighbourhood of 300,000 kw, generators that will require about two million work hours each; generators that would require as much additional labour and man-hour contribution to construction as our entire winter works programme.

It is my recommendation, therefore, that this government should confine the opportunity to bid on these generators to Canadian firms if Canadian firms can do the jobs at prices that are at all reasonable. I do not think that the prices that the English firms have been bidding on heretofore have been reasonable, in view of the fact that they have been bidding for less than they would

have to charge on the domestic English market. And the only reason, I presume, that they are bidding for less here than in England is the fact that in England they are required to produce a certain volume of work and industrial development, as, I think, the case should be here.

Mr. Chairman, the second point that I wish to touch on is the Carillon project to which the hon. Minister made reference a few moments ago. My understanding is that it involves the area of Hawkesbury, as he said. In 1943, or thereabouts, an arrangement was made between the governments of Quebec and Ontario—is that right?—whereby Ontario made available to Quebec Hydro certain lands, and Quebec made available to Ontario certain Quebec lands.

In pursuance of that agreement Ontario must undertake to make available to Quebec certain lands on the Ontario side which will be flooded when the dam east of Hawkesbury is built.

As the hon. Minister has said, that flooding means that a certain number of people—I think about 1,700—will have their homes flooded and will be required to move. The question in my mind is: Is it wise to build a dike? The hon. Minister apparently feels that is not wise and that it would be better to let these lands be flooded and compensate the individuals.

I think another question comes to the fore and that is simply this: If we are going to flood the lands, how should these people be compensated? My understanding is that if we compensate them at the present value of their homes we will give them nothing like the amount of money that is required to build comparable homes in the neighbourhood.

That is a factor to be considered, and I would like to know whether the hon. Minister will extend to the residents of Hawkesbury the same privileges as were extended in the seaway valley when homes were physically moved to other sites at the discretion and wish of the individual resident and homeowner.

It may well be that there are many people who will feel that the compensation in dollars that will be offered is insufficient to duplicate the accommodation that they have. I think this is the pertinent question that should be asked of the hon. Minister at this time in conjunction with the Carillon project.

Now relating to the CANDU project at Point Douglas, Mr. Chairman, I would point out—as I tried to point out last year—that if our generating capacity in electricity over the next 15 or 20 years is going to be primarily

thermal in nature—that is, heat and coal—then we will be required to import about \$300 million worth of coal each year. Is that reasonable? Is it not better that we go ahead with the nuclear programme as hurriedly as we can?

My understanding is that Hydro is not making any financial contribution to the CANDU project up on Lake Huron, but it is the atomic energy commission which is actually putting up the money. Subsequently Hydro will buy the property back, but at the present time I think they are making no other contribution than to buy the land and provide the personnel.

If we can get ahead with this heavy water generator or thermal nuclear process, and demonstrate its economic efficiency, we can do something for Ontario that will be really worthwhile. We can even provide portable generators if they can produce electricity in competition with the other forms of electrical energy. We can provide cheap industrial power throughout the province, and assure, Mr. Chairman, that we use a Canadian product, that we use uranium which we all know is found in abundance in several localities in Ontario and currently finds no market.

It seems to me that if Hydro really wants to do something extraordinary for this province and for the economy of the province, and if it wants to be a pioneer in a new form of electrical energy—the development of electrical energy for all the world—it should use money now to speed up this project.

I do not know when the determination will be made as to whether or not the CANDU project at Point Douglas is demonstrated to be economically feasible or not, but presumably it will be in a number of years. Why can we not speed that time up? Why can we not get on with this project, invest the money that we are bound to invest sooner or later in any event, and make this determination very quickly?

I suggest this because that determination, Mr. Chairman, means that we will not be required to buy American coal as we are required to buy today. It means that the millions and millions and millions of dollars that we are putting into thermal plants could instead be invested in nuclear plants; in plants that would employ Canadians; in plants that would use Canadian uranium oxide; in plants that would give Canadians an opportunity to develop for themselves the type of electrical energy that is most natural to Ontario.

Mr. Chairman, this is the third question I would ask of the hon. Minister. I know that the Hydro-Electric Power Commission is a big institution. Certainly it is a matter we should scrutinize very carefully, and I think that the hon. Minister is to be commended for bringing the policies to the fore in this Legislature. But I think that we, particularly in the Opposition, must look at them and look at them very carefully.

The third criticism I have, then, is that the commission has not pursued the opportunity to use nuclear energy for the development of electrical energy as much as one would hope in Ontario.

Now, Mr. Chairman, the fourth question I have relates to a fundamental, and that is industrial cost of power in Ontario. My simple question is this: What is the policy of Ontario Hydro with respect to the cost of industrial power? How is industrial power costed? Does the industrial consumer bear the cost or a portion of the cost for the transmission lines that feed power to the domestic and rural user as well, or does the industrial user have his own transmission line?

I am not sure about these things. They may be very elementary questions. But I think they are the sort of thing that should be brought out and debated. Time and again in the course of the last 4 or 5 months I have talked with industrialists throughout this province who complained bitterly that we are losing the battle for power in power costs in Ontario.

I have talked to industrialists in the Niagara district who tell me that they located large plants in that area with the understanding—and on the understanding—that they would get cheap power because of their proximity to Niagara. And they are now, at the expiration of the contracts, told that their power costs are going to go up to such a degree that, frankly, they tell me—and I must believe them—that it would be better for them to move to Quebec where power costs are cheaper.

I am likewise advised that some of the smaller plants are already contemplating that move.

In northern Ontario, Mr. Chairman, I can make reference to the chamber of commerce meeting at Dryden. There, as the vice-president of Steep Rock pointed out, the power increase to the industrial user in northwestern Ontario—and particularly Steep Rock—means about \$7,300 a month, and for all iron companies there over the period of a year, about \$200,000.

For the whole of northwestern Ontario the additional industrial cost will be about \$1 million.

Now, as he pointed out, at a time when we are trying to encourage industry into that area, and give it a chance to breathe and develop, we are adding this additional cost.

Mr. Chairman, my simple question is: Why? And what portion of the industrial costs do the residents, do the other consumers in Ontario, bear? Or, do the industrial consumers bear a portion of the cost that is allocated to the rural and the domestic user?

It seems to me that in regard to industrial costs we have not done what has been done in other provinces. There, I understand, they have used the inducement of low industrial hydro-electric power energy as an inducement to industries that come and grow up and develop. Across from Cornwall, where the hon. Minister pointed with pride to the seaway development, they have, in Massena in New York state, an area of industrial expansion unparalleled in most parts of Ontario. Why? Because they sold power in cheap form at that particular location.

Why can we not do the same here in Ontario? And what is the policy in this respect? Is it one of equalizing all industrial cost throughout all of Ontario? Is the cost for each industry exactly the same? Are special arrangements made? Is it wise to make special arrangements? These are the questions we would like to ask.

Now, I must admit that, in conjunction with this particular part of my presentation, I am not familiar with the basic information that we should have and I think this is the time and the place to get it, so that we can make intelligent determinations of whether or not Hydro is following a sound policy for economical industrial development in this province.

I, for one, must say that I have been depressed by the observations of businessmen, particularly in the province, who have come and said, quite frankly, that they feel our power costs are higher than they are in our neighbouring province. I think that the government of Quebec has made visits to Ontario and made this very argument to industrialists, suggesting that they move to Quebec where their costs will be lower.

Now, this is a fact to be considered, Mr. Chairman. I think it was one of the intents of Hydro, at the very outset, to provide the low power costs that would encourage industry. I am not trying to encourage industry for the sake of making a few people wealthy or anything of the sort. But, I think, we all

realize, Mr. Chairman, that the economic and social success and development of this province depends in a large measure upon the development and creation of jobs in Ontario.

One of the ways to create jobs is to keep our cost of production down and one of the fundamental ways to keep the cost of production down is to keep the cost of power as low as possible.

Now, Mr. Chairman, the fifth question that I would ask is a question related again to northern Ontario in the matter of the brief that was presented, I understand, by the mining fraternity to the hon. Minister. This brief suggested that, at this particular time, when a good many mines are marginal in operation, this additional cost of industrial power to the mining fraternity and to the mining industry may mean that some mines will be required to close. Now certainly, this is not a desirable thing. So my question simply is: What is the policy of the government in this respect? Is it the intention of the government to make special concessions where it can be demonstrated that the additional cost of power will mean more unemployment?

Mr. Chairman, these are the major points that I wish to make. I do not want to take an unnecessary amount of time. On all of these points, I think, we could elaborate in great detail, and I would like to see some real debate on the subjects that I have tried to bring forward. I consider them to be very important points for the economic development of this province.

I think that we, in this Legislature, bear the responsibility of determining the policy of Hydro. I think we should make the determination rather than the commission as such.

As for myself, I certainly would hope that this House will agree with me before the debate is over that one of the primary things we should do, at this particular time, is to insist that Hydro use Canadian companies and institutions for the construction of all future generating plants.

The fact, as I said at the outset, that two million labour man hours of work are required for the construction of each generator, means that we could do as much by changing Hydro's policy as our whole winter works programme.

Now, these are the questions I had in mind at this particular juncture, Mr. Chairman. Rather than go into more detail I would ask your indulgence to have the opportunity to speak a second time in conjunction with this particular estimate.

Mr. D. C. MacDonald (York South): Mr. Chairman, as hon. members of the House listened to the hon. Minister of Energy Resources sketch the picture of the achievements of Hydro, I am certain that they must have all felt a very great sense of pride. This is our institution in a very real sense. It belongs to the people of Ontario and we, as the elected representatives of the people of Ontario, are responsible for laying down its general policies—we are the administrators for carrying them out.

When the hon. Minister, for example, can tell us that we have achieved a position which is unique in the world in that those in rural areas are consuming more electric power than in the cities; when he can tell us that the cost of Hydro in the last 20 years has dropped 7 per cent in the cities and dropped 18 per cent in the rural areas, at a time when all other costs have been skyrocketing; here, surely, is a remarkable story.

It reminded me of a telecast that the hon. Minister gave in the last election campaign, in which he summed up all that he has now spelled out in these details, including the fact that in the province of Ontario as compared with the average in the United States, the average consumer in Canada uses twice as much electricity and is paying half as much for it.

Now I suggest, Mr. Chairman, that there is a very close connection between those. The consumer in Ontario is using twice as much electricity as the American consumer is using on an average; he is doing it because he is getting it at half price.

Now what I cannot understand when I listen to the Tory of 1960 get up and talk about this magnificent achievement, is why we should have to listen to all the specious argument on the other side of the House when we have an opportunity to do for this and future generations the same kind of thing with a new source of power—natural gas. Because we have built the industrial complex of the province of Ontario on the cornerstone of power and costs, the Tories get up and brag about it, and we share their pride. But why have they not got the courage of their convictions—the courage to buck the private interests as Sir Adam Beck bucked the private interests a generation ago—to assure the future of this province in that new source of power, namely, natural gas?

I am not going to belabour the question. I have asked it and got no reply from the other side because the government is the victim of its doctrinal free enterprise beliefs.

I know the government has given its argument as to why there are competing

sources of power. Sir Adam Beck listened to the same sort of argument as to why all private power could not be brought under the Ontario hydro-electric system. But Sir Adam Beck at least had the courage of his convictions and when the Tories in the cabinet bucked him, he went out into the hustings and he let them know that if they did not heed the people in the hustings they would get trimmed in the next election. He knew where the source of power was and he licked even the friends in his own party.

Hon. L. M. Frost (Prime Minister): My hon. friend—

Mr. MacDonald: If the hon. Prime Minister wants to speak to these estimates, let him speak—

Hon. Mr. Frost: Why make incorrect—

Mr. MacDonald: I am not making incorrect statements.

Hon. Mr. Frost: Why, of course, the hon. member is. He knows that!

Mr. MacDonald: If the hon. Prime Minister wants to speak to these estimates, let him get up and speak on the point.

Hon. Mr. Frost: The hon. member is so wrong—

Mr. MacDonald: Not at all.

Hon. Mr. Frost: If my hon. friend would give me one minute, I would tell him how.

Mr. MacDonald: I have listened to the hon. Prime Minister tell the story before.

Hon. Mr. Macaulay: Can I, Mr. Chairman, arise on a point of order?

Mr. MacDonald: There is a doctrine of free enterprise. They place the private interests of the people in the natural gas industry against the future welfare of this province. However, I said I am not going to belabour the issue.

Hon. Mr. Macaulay: Could I, Mr. Chairman, rise on a point of order? There is a rule in this House that an hon. member will not reflect on a vote which has been taken. A vote was taken on the question of public ownership of natural gas and that, according to the rules of the House, should end the matter.

Mr. MacDonald: Mr. Chairman, Little Lord Fauntleroy had better trot out another

argument. Hon. members can speak any number of times during subsequent sessions.

Hon. Mr. Frost: The hon. member is so utterly wrong.

Mr. MacDonald: I am not utterly wrong. The rules of the House are that an hon. member cannot speak on something that has been voted on in that session, but the Tories over there think, Mr. Chairman, that they are going to—

Hon. Mr. Frost: Mr. Chairman, I rise to a point of order.

Interjections by several hon. members.

Mr. Chairman: Order, order.

Hon. Mr. Frost: I rise on a point of order.

Mr. MacDonald: What is the point of order?

Hon. Mr. Frost: My point of order is this: I am really not so much concerned with the technical point raised as I am with the violation of common sense that my good friend—

An hon. member: That is a good point of order.

Mr. MacDonald: These are the people who presumably know the rules of the House and the traditions of Parliament and get up and violate them, from the hon. Prime Minister down, and then preach to other people about trying to live up to the traditions! That was no more a rule or a point of order than—

Interjections by hon. members.

Mr. MacDonald: Now, Mr. Chairman, I do not want to get into an argument with the other hon. members on the Tory benches. I just want to make a passing comment on the general argument that was advanced by the hon. leader of the Opposition in the concluding part of his remarks.

He wants, and I made a note of it, to keep costs as low as possible. He wants to get down to the fundamentals. Mr. Chairman, if you want to get down to the fundamentals, the fundamental for power at cost is public ownership and these hon. members over here joined with the Tory hon. members on the other side to frustrate the establishment of public ownership for natural gas.

Mr. Wintermeyer: Well, how is the hon. member going to bring hydro costs down? The hon. member is no more interested in

creating jobs in this province than the man in the moon.

Mr. MacDonald: Now, let the hon. leader of the Opposition just take off his halo, polish it up and put it on the desk there. He thinks he is the only person who has any sincerity in an approach to this issue. If he wants to get to the fundamentals, then the fundamental in terms of power costs is public ownership. And surely in the province of Ontario this is self-evident.

Mr. Wintermeyer: Will the hon. member tell us how he is going to handle this particular publicly owned institution to help create jobs? Then we will—

Mr. MacDonald: I will just mention a few points and then I will look forward to the hon. Minister's reply, because I am not going to elaborate any further on it.

I know this. For years some of the industry in northwestern Ontario, in the region of Port Arthur for example, was subsidized by the people in the city of Port Arthur. One of the gentlemen—a former member of this House—documented, time and time again, the fact that when contracts were given to some of the industries in this area they were given at a price far below the cost so that the work was subsidized by the domestic consumer. I will be interested to hear what the hon. Minister has to say as to whether the domestic consumer is subsidizing the industry or the industry is subsidizing the consumer. I say this because I do not think it is a fair principle that the domestic consumer should be subsidizing industry. Let industry stand on its own feet.

Mr. Wintermeyer: Does the hon. member care about jobs?

Mr. MacDonald: Sure I care about jobs!

Mr. Wintermeyer: The hon. member is certainly not demonstrating it tonight.

Mr. MacDonald: The hon. leader of the Opposition's suggestion that his particular approach is the sincere approach that is going to solve the problems, and that anybody who disagrees is not sincere about it is the kind of self-righteousness that gets just a little bit sickening.

Now, having dealt with—

Mr. E. Sopha (Sudbury): The hon. member is great on economic disasters, and that is all he wants.

Mr. MacDonald: Now, Mr. Chairman, against that general economic background I want to deal with a couple of issues which are unrelated to the one I have just discussed.

One of them, Mr. Chairman, happens to be a decision of Hydro this past summer with regard to the civil rights of its own employees: Namely, a directive dated August 10 in which the 15,000 employees of Hydro were suddenly faced with a directive from their own management, their own bosses, interpreted as—and quite rightly, though this is now disputed by the same people who sent out the directive—as saying that they could not participate in politics.

Let me quote a couple of paragraphs from this directive of August 10. They draw attention to the fact that a previous statement on this subject was issued, back in 1934 no less, when a memorandum was sent to all the employees by the secretary of the commission at that time.

The 1934 memorandum reads in part as follows:

Recently not a few complaints have been made that officials and employees of the commission have taken quite prominent part in the discussion of political matters, especially municipal and provincial, which, in some cases, directly affects the department of the service in which they themselves are employed. It should hardly be necessary to point out to any employee of the Hydro-Electric Power Commission that he ought not to hold a provincial or municipal office in which he might be required to consider and perhaps even condemn the actions of the commission in whose service he is.

In other words, one of the reasons advanced against him taking part in political office and becoming a municipal official is that he might be required to "consider" the actions of the commission, and this he should not do.

Hon. Mr. Macaulay: His own commission—the commission to which he is elected?

Mr. MacDonald: Oh, no! He might be elected to the municipal council and he might be—

Hon. Mr. Macaulay: He might be elected to the local municipal commission too.

Mr. MacDonald: So what?

Hon. Mr. Macaulay: Well, that is a very important job.

Interjections by hon. members.

Mr. MacDonald: Just a minute now, just a minute now! The hon. Minister is taking the one case where the possible conflict might be greater.

Hon. Mr. Macaulay: I am thinking of the case we had in mind when we wrote the letter.

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, I want to read one more paragraph from this.

And this is not the 1934 memorandum reproduced, this is a bright, shining new 1960 comment:

The commission is still of the opinion that it is not in the public interest for an employee to place himself in a position where his responsibilities as an employee might conflict with his responsibilities as a holder of political office. An employee of the commission is in the unique position in the community in that he must endeavour to serve all members of the public to the best of his ability without favour or bias. The commission believes that the public will not accept a person who runs for elective political office as being without bias.

That is an intriguing sentence.

For this reason it is felt the employees of the commission should not seek active political office in either Dominion or provincial governments, nor should the employees become candidates for municipal council. Similarly, it is desirable that employees refrain from actively participating in such political campaigns.

I draw to the attention of the hon. Minister that there is no suggestion in this of barring them from participation on local hydro public commissions, none at all. So this is a new wrinkle to the only argument they have, namely, that there might be a conflict of interest. He is going to have them all sitting on local hydro. He is trying to make his weak case as strong as possible.

Hon. Mr. Macaulay: The hon. member is helping me tremendously and I am very grateful to him.

Mr. MacDonald: What I want to draw to the attention of the House is that all this took place back on August 10 and quite a furor arose among the 15,000 employees. I know there were some who accepted what I would choose to describe as the old party

line that one should not participate in politics. But the general reaction among Hydro employees was that this was an affront. And the thing that made it so much of an affront was the fact that this edict came from a commission headed by a man who is meddling in politics all the time, if this is the way you want to describe it.

Before my attitude becomes confused with that of the hon. leader of the Opposition, I am not criticizing James S. Duncan. I think a few more people should take an interest in public affairs.

The question of whether he is doing it on Hydro time to an undue extent is another matter. But as to the head of a publicly owned institution expressing his views on matters that are of great concern to the people of Canada and the world, I have no objection at all. This is a democracy—something I wonder whether those hon. members on the other side of the House have a real appreciation of, on occasion.

What I do object to is that a commission headed by Mr. Duncan should put out an edict that has such a twisted form of logic. While its head is meddling in politics all the time, these little lowly people must not dirty themselves in this nasty game of politics. They must not expose themselves to the possibility of a conflict of interest and all the rest of it. I suggest to the hon. members that this is not a defensible kind of argument.

However, I think there was enough of a storm behind the scenes that they decided to retreat into some delightful verbiage. For example, the union of the Hydro employees sought to clarify the situation because they were under pressure from their membership. They got a letter on September 29 signed by W. H. Barnes, director of industrial relations, and sent to Mr. Cummings, the president of the union.

The second paragraph reads as follows:

Careful perusal of the letter should make it apparent that it contains no prohibition and it was not intended to be interpreted as a directive to this effect but rather an answer to many inquiries to bring the views of the commission to the attention of the employees.

Now there, surely, is another case of specious argument. There is no prohibition! It is just a directive! Hydro says to the employees, "We are not telling you you should not, but do not meddle in politics."

Hon. Mr. Macaulay: If they want to do otherwise, as 2 or 3 have done, they have a perfect right to do so and they have done it.

Mr. MacDonald: If they have a perfect right to do so, why are they told they should not do it?

Hon. Mr. Macaulay: Because we expressed a view that we felt it would—

Mr. MacDonald: The hon. Minister expressed a view which was literally none of his business. It is the civil right of a civil servant, or somebody in this position, to seek elective office—the highest position that he might seek in a democracy. So what right has the hon. Minister to say to him that he cannot exercise this right?

However, on November 10 another letter came. The union was trying to seek further clarification. Mr. Barnes, writing to Mr. Cummings, again, said in the opening paragraph:

It is my belief that, upon careful reading of the general manager's letter of August 10, it will be understood by all to be a general statement of the commission's policy regarding employee participation in politics rather than a directive with prohibition behind it.

Hon. Mr. Macaulay: Who said that?

Mr. MacDonald: Mr. W. H. Barnes.

Hon. Mr. Macaulay: Is the hon. member objecting to that?

Mr. MacDonald: No, I am not objecting to it. All I am saying is that it was laid down very clearly, so that all people who operate with the normal kind of logic—the newspapers, the 15,000 employees and a lot of other people—came to the conclusion they had been told: "You cannot go into politics." Then the furor arose. They took another look at it. And conceivably when they took a second look at it they took a look at the basic principle and they beat as much of a retreat as the circumstances could possibly and gracefully permit them.

Hon. Mr. Macaulay: What does the hon. member think the circumstances are today as they are generally understood that the people can or cannot go into politics?

Mr. MacDonald: On the basis of the commission's letter, I am not certain.

Hon. Mr. Macaulay: There are several in and they are employees. So would the hon. member not conclude that it was a request not to, but if they wanted to they had the right to do so? And they have done so. One, I think, is quite a supporter of the hon. member, as I understand it.

Mr. MacDonald: If they have the right to do so, why did the hon. Minister get up and try to tell them not to exercise that right?

Hon. Mr. Macaulay: Who tried to tell them not to? We wanted them to avoid the possibility of a conflict of interests. A person can be elected to sit on a commission and he has certain instructions from the Ontario commission to carry out. On the other hand, he may have quite a different point of view from his own municipal interest.

Mr. MacDonald: Mr. Chairman, I come back to the point that the hon. Minister, in seeking to bolster this incredibly weak case, is now pinning it all on, that it might involve sitting on the local hydro commission where, I would agree, there might be a possibility of a conflict of interests. But this is in terms of federal elections, provincial elections and municipal elections. The only one they exempted was school boards, as presumably no conflict would arise there.

Hon. Mr. Macaulay: That is quite right. But there are contracts negotiated every day between municipalities as to lines, purchases of materials, and so forth, and these things can arise.

Mr. MacDonald: Mr. Chairman, the hon. Minister does not like the appearance of conflict of interests. I just want to clarify the conflicts of interests and to protect the civil rights of the people. The hon. Minister wants to confuse conflict of interest and destroy and take away the civil rights of these 15,000 people.

Here is the dangerous thing, Mr. Chairman, and I will just conclude with this and leave it. Where is all this going to end? Civil servants cannot participate in politics! All the employees of a growing range of government agencies cannot participate in politics! Why did Hydro do this?

When Mr. Duncan was put on the spot, last summer, he said: "We are only doing what many corporations are doing. We are following the policy of many corporations." So, all the employees of corporations, presumably, in principle, should not participate in politics. All I am saying is that we will end up having very few people participating in politics. This, I suspect, is precisely what the hon. Minister wants.

Hon. Mr. Macaulay: Surely the hon. member is not serious.

Mr. MacDonald: It is just possible they would all be Tories, and that is what he would like too. In other words, he wants it

narrowed down to a small enough group that he can control and manipulate things even more effectively than he has been able to until now.

My plea, Mr. Chairman, to the hon. Prime Minister and the hon. Ministers of this Legislature, is just to have faith in the people. Have faith in the 15,000 employees of Hydro.

Certainly there may be one of them, some time or other who will not recognize it, and not live up to the principle, and get into a conflict of interest. But are they going to deny the whole 15,000 because one of these people some time may have a conflict of interest and not lay his cards on the table? Just have faith in the people, and that is obviously what the hon. Prime Minister has not.

Hon. Mr. Frost: Mr. Chairman, might I ask the hon. member if he would mind adjourning the debate at this time? I think we will go ahead with this item tomorrow morning.

If he would do that, I have another matter that I want to deal with.

Mr. MacDonald: I am very glad to accept directions as long as they are not prohibitions.

Mr. MacDonald moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost moves the committee rise and report progress, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I would like to call item No. 3, the Throne debate. I do that for this reason: It is now 10.14 p.m. One of the hon. members of the House who expected to speak today, due to some misunderstanding, gave his address to one of the papers and I think it would be highly desirable if we regularize procedure. I would call that item, please.

SPEECH FROM THE THRONE

Mr. R. Belisle (Nickel Belt): Mr. Speaker, in rising to take part in the debate on the speech from the Throne, I do so with a deep

feeling of humility brought about by the responsibility I owe to the good people of my riding of Nickel Belt, and also by the fact that my role with this government under our great leader, the hon. Prime Minister (Mr. Frost), will have some effect on the lives of some 150,000 people who are living in the greater Nickel Belt.

I would like to say at the outset of these remarks that I do not belong to that class of people known as pessimists. This fall session of the Ontario Legislature, which brings together the hon. members, is one of the reasons for my optimism. It is the proof that we are interested in the welfare of our province. And that, I might add, goes for hon. members of all political parties—even though we may differ in our political views, or the methods we use.

Mr. Speaker, please accept my sincere thanks for the good performance of your daily duties, and may I add my congratulations to the hon. Deputy Speaker (Mr. W. E. Johnston), and to the hon. mover (Mr. Gomme) and hon. seconder (Mr. Evans) of the motion for an address in reply to the Throne speech.

It is a great pleasure, Mr. Speaker, at this time, to congratulate the number of my hon. colleagues who have been honoured by elevation to the cabinet, and those appointed to commissions. It is also a pleasure to extend my good wishes to the hon. member for Parry Sound (Mr. A. Johnston) and the hon. member for Algoma-Manitoulin (Mr. Fullerton) on their appointment to the Ontario northland transportation commission.

The experience of these hon. members in the House, and their profound knowledge of the affairs of northern Ontario, will aid them in their duties and, undoubtedly, will be of assistance in the guidance and expansion of our publicly owned enterprise.

Mr. Speaker, I extend my best wishes to the hon. member for Eglinton (Mr. Dunlop) who guided so well The Department of Education.

The hon. Prime Minister must be complimented for the appointment of the hon. member for Eglinton to the chairmanship of the committee of university. Here he will again be working in a field where his sage counsel and experience will be of the utmost value.

While I am on the subject of education, I would like to say that the Laurentian university, created at the last session, is doing very well. It has already embraced into a federation the university of Sudbury and Huntington university, and I am very

pleased to ask all the hon. members of this House that the present bill for the creation of the Thorneloe university, the Anglican section, should receive the unanimous approval of the hon. members.

Its partnership in the Laurentian university will complete a happy and inspiring historical story of church zeal and co-operation, supported by business and community leaders. I would like to thank and commend the persons who have taken upon their shoulders the responsibilities of this federation.

As this was one of the hon. member for Eglinton's last great performances as Minister of Education, in guiding and directing its creation, we hope he will continue in his new position to be very generous with his counsel and advice and remind our great hon. Prime Minister that Laurentian university is greatly in need of assistance.

The birth of a new university in this new era of 1960 is much more costly than previous ones, and special financial assistance should be given to Laurentian even if it means sacrifices for the other 11 universities.

Mr. Speaker, I do not know yet whether the hon. Minister of Education (Mr. Robarts) has had the time to grasp the problems that must be in existence in that very massive department of his, but I hope that, as a long-term objective, he is going to work towards more assistance for primary and secondary separate schools.

To my mind, Mr. Speaker, the most vital problem facing this industrial expanding province is accelerated opportunity for education of our children—education equally and indiscriminately available to the child of every citizen of Ontario.

I do not seek to compromise any one person, I seek only the answer to a deep and fundamental problem, seriously affecting society as it is known today, and society as we shall find in 10 or 15 years.

Now, in recent years, I will acknowledge that this government has paid to separate schools many more dollars from the treasury without disturbing the picture at the municipal level. It is one thing to advocate better qualifications for teachers at the elementary level, but it is a fact that separate schools cannot pay the present levels for either qualified or unqualified teachers.

Relief of the present situation is urgent, compounded by increasing daily enrolments. I submit, Mr. Speaker, that some form of additional assistance is greatly needed, and I have faith that the present hon. Minister, with the help and assistance of his hon.

cabinet colleagues, will continue to make Ontario progressive in all spheres including education.

Mr. Speaker, I was very pleased to listen to the TV address of the hon. Minister of Health (Mr. Dymond), explaining the scope and extent of the government programme, and the remarkable progress that his department has made towards the care of the mentally retarded. I was glad to hear that men from his department were sent to Nickel Belt to look at the possible sites available for the proposed construction of the hospital school.

We have all the required facilities of water, sewage and medical services needed, with the addition of technical training that the new Laurentian university can provide.

Mr. Speaker, I want to say that I did not agree with my hon. colleague from Sudbury (Mr. Sopha) the other night when he wanted to give me a lesson in courtesy regarding the visit of the hon. Attorney-General (Mr. Roberts) to my riding. Apparently he was offended because he did not receive an invitation to attend the annual Progressive-Conservative dinner at which the hon. Attorney-General was the guest speaker.

Knowing that he comes from a good Progressive-Conservative family, and that he still has Conservative inclinations, I will see that he is invited to our next Progressive-Conservative rally.

I would like to say that he brought some 11 hon. members of Parliament to Sudbury over the weekend, and I was not offended because I was not invited.

According to the newspapers, there were less than 200 from all over the north in attendance, and this was well advertised all over the country. We had over 400 attend our annual meeting which was addressed by the hon. Attorney-General.

Mr. Speaker, in referring to The Department of Highways, first of all, I want to say that the hon. Minister (Mr. Cass) is doing a wonderful job. Only through the expansion of our highway system will the growth and prosperity of Nickel Belt continue.

Being the voice of my good people of Nickel Belt in this assembly, I must say to you, Mr. Speaker, that they were quite surprised to learn that there was no mention of the Sudbury-Timmins highway in the Throne speech.

The local newspaper, the *Sudbury Daily Star*—which, by the way, has been the promoter of such a needed route and the reporter of promises from different governments during

the last 30 years—had these editorial comments to make:

**NORTH LOOKS FOR RECOGNITION
IN SEEKING DEVELOPMENT AID**

There is disappointment for Sudbury and district in the speech from the Throne read at the opening of the fall session of the Ontario Legislature. Most disappointing is lack of mention in the proposed highways programme for a start on a Sudbury-Chapleau or Sudbury-Timmins highway, two important highway links that are necessary to shorten the highway distance between south and north and to open up new areas for mineral and forestry development, as well as tourism.

These are more than regional interests. They are essential to northern development—and it is the north that supports the Ontario economy. In return for the millions of dollars taken out of the north we ask nothing more than that which is necessary to assist in northern development and expansion.

The speech from the Throne impressed me as a private member. The programme that was outlined in the speech means a great deal to the people of this province.

As a northern Ontario member—or perhaps, more rightly, a mid-north member—I am especially interested in what the programme contains for the mid-north.

There is no doubt we will benefit from the work planned in other parts of the province, but I must also admit that there is some concern in the mid-north in regard to proposed plans for highway development. This concern is felt most strongly around the north's largest city, Sudbury, and the riding I represent in the Legislature—the Nickel Belt.

The mid-north waited some 35 years for the completion of a highway from Parry Sound to Sudbury. This highway, also known as highway No. 69, is now one of the most-travelled of the highways leading into the north.

There is no doubt about its future. With the opening of the Lake Superior route of the trans-Canada highway last fall at Wawa, there will be much more traffic coming into the mid-north over highway No. 69.

Mr. Speaker, this brings me back again to the Throne speech. There is concern in the mid-north because the speech contained no mention of plans for either the Sudbury-Timmins highway or the Sudbury-Chapleau highway.

I must confess I share this concern. As a resident of the district I know how the people

feel about the development of the area. The greatest hope for further development is in making the Sudbury area the great distribution and transportation centre in the north.

The *Sudbury Star*, which is northern Ontario's largest daily newspaper, has often commented on this in editorials. The geographical location of Sudbury means that almost everything from the south or east must go through Sudbury to reach western Canada. That is why there is special interest in a Chapleau-Sudbury highway to shorten the distance between highway No. 69 and the Lake Superior route of the trans-Canada highway.

As it now stands, the motor transport traffic coming into Sudbury must travel 200 miles west to Sault Ste. Marie before turning north to the Lakehead. In the opinion of many this is 200 miles of unnecessary driving which also adds to transportation costs.

A Chapleau-Sudbury highway would also open up new areas for mineral, forest and tourist development opportunities.

Mr. Speaker, it is my opinion that a start could be made now on this highway. I believe it could become part of a winter works programme to survey and "brush out" the route. It would create employment and it would also assure the people of the mid-north that this government is a government of action.

It is only a matter of time until direct highways to Chapleau and Timmins from Sudbury must be built. The highway from Timmins to Chapleau, and highways from Chapleau to Sudbury and Timmins to Sudbury, encompass a great triangle of land rich in natural resources. They cannot be properly developed by a series of bush roads or mining access roads.

The pattern of resource development is changing. Already, huge trucks are hauling mineral ore that was previously carried on the railways. The trend is to highway transportation. It is part of the changing pattern. That is why these mid-north highways are essential.

There is a feeling among northerners that the south gets the cream and the north must beg for skimmed milk. But, as the *Sudbury Star* said, the north is not selfish. It does not begrudge the south its highways and skyways.

The north recognizes that new and better highways in the south are necessary to speed the flow of increased motor traffic. But it is also aware that motor traffic in the north has increased by leaps and bounds.

I would ask the government and all southern Ontario hon. members to take a look at the map of Ontario. They will see that Sudbury's geographical location is a "natural" for distribution and transportation.

If this area is unsuccessful in attracting secondary industry to relieve the tax burden on home-owners, it may get some relief from its problems as becoming the major distribution centre in Canada. This ambition can be realized by providing the best and shortest highway routes between the east, south and the north.

Mr. Speaker, this is the point I would like to emphasize at this time. Give us the highways. Let work be started now, knowing that 5 or more years will elapse before they can be utilized to their greatest extent.

All that the mid-north asks is that it be given the opportunity to take full advantage of the benefits of an expanding economy. As an optimist I am confident that Ontario is destined to go marching forward as a banner province. And I firmly believe that the future of this province lies in the north, and in northern development.

To paraphrase that great statesman, Sir Winston Churchill, give us the tools, so we can get on with the job.

Mr. J. H. White moves the adjournment of the debate.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the adjournment I propose to go ahead tomorrow with the matter we were discussing—related to the estimates of The Department of Energy Resources pertaining to power. The House will meet tomorrow at 10.30 a.m.

I make this suggestion to the hon. members: I propose on Monday to go ahead with the motion standing in the name of the hon. member for York-Scarborough (Mr. Sutton) which we discussed at length a few days ago.

I am not going to make any motion tonight, but I will leave this for the consideration of the hon. members.

Would it be possible to meet at two o'clock on Monday, Tuesday and Thursday?

On Wednesday we have the meeting of the committee on private bills in the morning. From 3 to 6 leaves an incredibly short time for business.

The hon. member who just adjourned the debate has been on the list for some time, as in fact others are, and I do not like to hold them up. I will make a motion concerning that tomorrow morning.

I think we should have a night session on Monday and Tuesday of next week. Monday, of course, we will be considering the matter of unemployment.

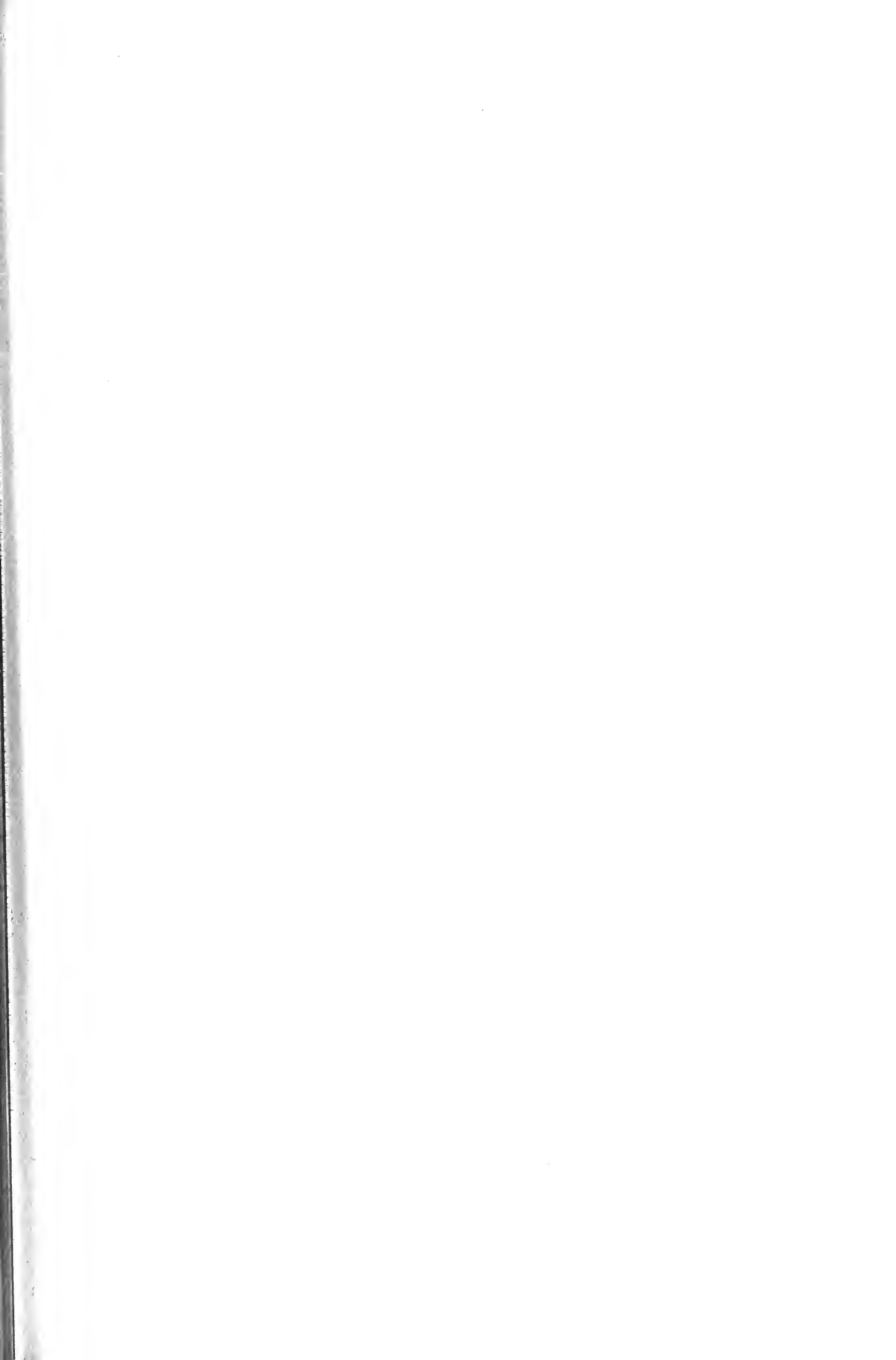
We did, I think, generally agree on night sessions on Tuesday and Thursday, but we can consider that when we reach the point next week.

As a matter of fact, as the hon. members know, a good deal of time is taken up in the various formalities relating to the sitting, and 3 hours does not give very much time.

Hon. Mr. Frost moves the adjournment of the House to reconvene at 10.30 tomorrow morning.

Motion agreed to.

The House adjourned at 10.30 of the clock, p.m.







ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, December 9, 1960

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 9, 1960

10.30 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Davis, from the standing committee on legal bills, presents the committee's first report and moves its adoption.

Your committee begs to report the following bills without amendment:

An Act to amend The Absentees Act.

An Act to amend The Credit Unions Act, 1953.

An Act to amend The Devolution of Estates Act.

An Act to amend The Fire Marshals Act.

An Act to amend The Hotel Fire Safety Act.

An Act to amend The Lightning Rods Act.

An Act to amend The Liquor Control Act.

An Act to amend The Trustee Act.

Your committee begs to report the following bills with certain amendments:

An Act to amend The Law Society Act.

An Act to amend The Mortgages Act.

Motion agreed to.

Mr. Speaker: Motions.

Hon. L. M. Frost, seconded by hon. J. N. Allan, moves that Mr. P. Hoffman (Temiskaming) be added to the following standing committees: (1) agriculture; (2) game and fish; (3) lands and forests; (4) mining; (5) public accounts; (6) standing orders.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, following what I said last night in connection with the meetings of the House next week, I suggest that we meet at 2 o'clock. Our committee meetings are not heavy at this time of year. As a matter of

fact, I think there will be only one committee meeting next week and that will be private bills on Thursday at 10 o'clock. If we find that with that extra hour we can relieve ourselves of a night session or two, then we can let it run that way. It seems to me to be the reasonable thing to do.

With this I think I should announce a night session for Monday night, but we will leave Tuesday and Thursday open to see what the situation is.

I move, seconded by hon. Mr. Allan, that Monday to Thursday next week, December 12 to 15 inclusive, this House will meet at 2 o'clock p.m. and that rule 2 of the assembly be suspended so far as it may apply to this motion.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Orders of the day.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the report of the hon. Minister of Public Works of Ontario (Mr. Connell) for the 12 months ending March 31, 1960.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day I would like to ask a question of the hon. Attorney-General (Mr. Roberts), a copy of which went to him yesterday but due to his being in Kitchener his office suggested it might be better to hold it until today, which I have done.

There has been a development in the situation—I hope, Mr. Speaker, you will permit me to expand this briefly to include the development in the situation. Yesterday morning the so-called Barnes Investigation Bureau Limited, a federal incorporated agency whose concise statement of objectives as recorded in the Provincial Secretary's Department is protection of property, was used to escort workers through the picket lines of a strike at Industrial Wire and Cable on Index road in Etobicoke.

The development, Mr. Speaker, since yesterday, is that an afternoon story in the Toronto

Telegram indicated that there is another similar agency operated by a former Metro police inspector, John Nimmo, supplying people to escort workers through the picket line in another strike at the Bury Lumber Company involving a carpenters' union.

I raise this, Mr. Speaker, because I am advised that the strike-breaking activities of these two different agencies are not within their legal powers as granted in their charters. Would the hon. Attorney-General give the House assurance that appropriate action will be taken to have these strike-breaking agencies withdrawn from these industrial situations?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I would say that I am not really in a position to answer that question fully at the moment. I was trying to get information this morning to give me something of a background of the case. I will make a qualified statement now and, if necessary, I can add to it after I have that information.

It is my understanding that this particular agency referred to in the question of yesterday is incorporated under a federal statute. It has a licence—an investigating licence—in relation to the work that is permitted under the statute provided for in that field. But, and this is my understanding only at the moment, these particular people are engaged as security officers in relation to a plant and, if they are operating as security officers, of course, as long as they are operating within the ordinary terms of their employment and as long as those terms of employment are not such as to be against the law in any way, there is nothing I can add at the moment unless there was some particular instance that would require the attention of the law officers.

Mr. MacDonald: Mr. Speaker, I wonder if I may, just by way of a supplementary point, draw this to the attention of the hon. Attorney-General for his further examination. Everybody has been familiar with the operations of such companies as Barnes Agency supplying security officers down at Maple Leaf gardens and elsewhere. But surely it is an extension of their authority, and I would suggest an illegal extension, that they should become security officers to escort people through a picket line of a strike which is a legal strike at a time when we have great numbers of unemployed and people who are desperate for work. It seems to me that here we have a situation in which we are going to have in Canada the so-called "Pinkies" or the Pinkerton outfit in the United States, which would cause no end of trouble in industrial disputes.

However, if the hon. Attorney-General is looking into that I will leave it with him.

There is one other item I want to raise on the question of personal privilege. I have in my hand here the text of a speech which is to be delivered tonight on a province-wide network by the new hon. provincial Minister of Transport (Mr. Rowntree), and I want to draw to the attention of the House one paragraph in this speech. I am quoting:

Perhaps I should mention two other Royal commissions. In each case the Royal commissioner was a distinguished member of the judiciary with no political axe to grind. I refer to the investigation into a land purchase involving the Niagara parks commission and my capable and respected colleague, Labour Minister the Honourable Charles Daley. As is now well known, the parks commission and the Labour Minister came through the investigation with colours flying, notwithstanding the allegations by various members of the Opposition groups more interested in the political smear than in the cause of good government.

Mr. Speaker, there is no name here and the cap could be put on anybody it fits. I put the cap on, and I want to say, Mr. Speaker, that before this government has done anything to answer the documented statements that were made in this House last Thursday, that no hon. member of the House has a right to get up on a province-wide network and smear people across this House when they have not had the intestinal fortitude to answer the documented case.

The people who are bucking the establishment of good government in this country are the government, not us on this side, and I submit that it is a gross violation of privilege for an hon. Minister of the cabinet to get up and make a smear statement—I use his own term—when the government has not had the intestinal fortitude to answer the documented statement or comment on it in this House.

Hon. Mr. Frost: Objection noted.

The House, upon order, resolved itself into the committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

(Continued)

Mr. D. C. MacDonald (York South): Mr. Chairman, there was just one other item in the discussion of Hydro that I wanted to raise, and I turn to it now. It is the question of Hydro's procedures in selling land.

Last year, I raised with the hon. Minister of Energy Resources (Mr. Macaulay) a question with regard to the sale of certain lands in St. Catharines. I have forgotten the exact day that I asked the question, but it was some time in the month of March and literally weeks went by before the hon. Minister replied.

He replied a day before the House ended so that there was no opportunity to debate this matter further.

The issue that I drew to his attention was the sale, without public tender, in the city of St. Catharines of a piece of property, the acreage of which was 166.59 acres, at approximately \$1,500 an acre for a total sum of \$249,897. Now this happens to be a choice piece of property for any real estate person.

It was sold to Mr. Frank A. Branscombe, and the particular features of the deal were that Mr. Branscombe paid \$50,000 down, and the commission took back a 5-year mortgage for the balance bearing interest at 5 per cent, repayable \$20,000 half-yearly on account of the principal, with the balance to fall due in 1963.

The reason I raised this, Mr. Chairman, was that it had been drawn to my attention that a number of people in St. Catharines had been interested in this property. And they had made approaches to Hydro and had been assured that when Hydro was going to dispose of this property it would be put up for public tender.

The hon. Minister gave an explanation of exactly what happened, and it can be found—for those who are interested in reading it in full—in *Hansard* of April 12, 1960, at the beginning of page 2655.

The hon. Minister's explanation, briefly, was this: That there had been 4 requests, 4 approaches recorded in the records of Hydro, of people who were interested in this property.

I will not bother naming the people. Two of them were approaches with no specific suggestion as to what they would offer. The third one was a man who offered \$500 an acre. The fourth one was the gentleman, Mr. Branscombe, who offered \$1,200 and Hydro entered into private negotiations with him, persuaded him to raise the price to \$1,500 and sold him the property without any public tender.

Now the hon. Minister gives some very interesting examples of Hydro's reasoning as to why this procedure is an acceptable one. Some of the reasoning obviously reflects a little conscience.

For example, on two different occasions, the hon. Minister made statements. One was:

It was the judgment of the commission at the time that, despite the fact that failure to advertise might invite censure, it would not be in the best interest of Ontario Hydro to advertise.

And then, later, he makes this comment:

The commission was therefore faced with the necessity of making a decision as to whether it should follow a course which was politically prudent—

namely, to call public tenders,

—or one which in its best judgment was better for Ontario Hydro; so it adopted the latter.

In other words, there is a tendency to adopt the argument that Hydro was being brave in taking a politically dangerous procedure in not calling for public tenders, and that it was really advancing the public interest in selling it this way because, they argue, they could have received more this way than if they had called for public tender.

Well, I think the flaws in that reasoning are so obvious that I will not dwell upon them.

However, in relation to another argument that was adopted by the hon. Minister, it was his contention that if they had called for public tenders, they would not have received any more, and he cites other lots sold in the immediate area and the price that they brought, and draws the conclusion that Hydro would not have received any more.

He even goes so far as to say that Mr. Branscombe is one of the largest realtors in the Niagara district, and he is going to know what other people were offering. It is always known in those circles what other people are offering.

In other words, if they had called for public tender, as the hon. Minister elaborates elsewhere in his statement, Mr. Branscombe then might have reduced his offer beyond the \$1,500 that Hydro had received and Hydro, so the hon. Minister argues, with a logic that is really below par for him, would have received less, and the interests of the public would not have been protected.

Now, Mr. Chairman, all these tortuous explanations as to why the government should not call for tenders when they are selling property, I suggest, should be brought to an end. Surely this is a principle which has been generally accepted; that, if a public agency is selling property, they should do so by calling for public tender.

I bring, as my witness, the comment that

I have already mentioned in this House, namely, the report of Judge Ian Macdonell with regard to the Niagara parks commission—when he was referring to this particular aspect of the dealings of the Niagara parks commission in the sale of the Daley farm.

Judge Macdonell's comment, to be found on page 13 of his report, was:

It is, however, trite to say that a public body, in selling land, should generally advertise the lands for sale or at least call for tenders. It is also usual to obtain independent valuations, or list properties with a regular real estate broker. I think it is now conceded by all that, at least, some of these steps should have been taken, even though, in all probability, they would not have affected the result.

What Judge Macdonell has said, there, is that even though it does not affect the results, these procedures should be followed. In not following these procedures, the door is opened to the kind of abuse of which we have had far too much; and that, surely, we have to check some time soon.

The hon. Minister, himself, in the course of his explanation, concedes what surely is the pertinent point—if he really felt that by calling for tenders they were going to get less than through negotiation—that anybody calling for tenders can have a reserve bid in to protect himself from a sale that was below what was thought to be the genuine value of the property.

I do not know what can be done—with Hydro so adamant in this false statement of the principle involved, and the necessity of a public agency calling for tenders in selling lands, or if what the hon. Minister has laid down as the basic policy of Hydro, and they are going to call tenders when they please, and not call tenders when they please, in the future.

I think this House is entitled to some explanation from the hon. Minister on that point.

But, while he is on that point, I would like to ask him to give us a bit more information. I would like the hon. Minister to confirm or deny whether the gentleman, Mr. Frank A. Branscombe, at any time, and more particularly, at about the time of the sale, was an appraiser for Hydro in the sales of lands, both in the Niagara peninsula and elsewhere, where Hydro has been involved in extensive land sales.

My information—and I am not in a position to check it because I have not got the records of Hydro—is that Mr. Branscombe was an appraiser for Hydro. And, if it was true that

he was, Mr. Chairman, through you to the hon. Minister, I suggest that the case that the hon. Minister tried to defend is even more indefensible; not only on the basis of principle but on the basis that Hydro was selling land to a man who had direct business connections with Hydro, and selling him a property without giving others an opportunity to bid on it.

In this same connection of Hydro's land sales or rentals, there is another little item I would like to draw to the attention of the hon. Minister for his comment. It is to be found in the September 14, 1960, edition of the *Cornwall Standard Freeholder*, and I am quoting from a letter to the editor which is in that issue of the paper, written by one George Russell of Cornwall. Let me start at the beginning of this paragraph:

I believe if a little probing was done in the Cornwall area the result would uncover some interesting and surprising information. Those taxpayers who follow the reports of the provincial *Hansard* will recall that in one case, namely the Louis Emard Petroleum Company, this company received from the Ontario Hydro the sum of \$148,000 for the property situated at the corner of Emma and Pitt streets, near the overpass, with the understanding they, the Louis Emard Petroleum Company, could have the property back under lease, to be used as a truck storage depot for the monthly rental sum of \$205.

Despite the fact that the Ontario Hydro paid such a large sum of money for this property, the Louis Emard Petroleum Company is still using this property as its headquarters with a staff of workers being located in this building and paying to Ontario Hydro the rental sum of \$205 per month.

Ontario Hydro pays the city of Cornwall a grant in lieu of taxes at the rate of \$1,020.50. The Emard Petroleum pays the city a business tax on this property amounting to \$249.99. The total assessed value of this property as shown on the files of the city of Cornwall is \$15,960.

Hon. R. Macaulay (Minister of Energy Resources): I am sorry, I missed that. What did the hon. member say?

Mr. MacDonald: Hydro is paying the city a \$1,020.50 grant in lieu of taxes because they now own the property, and it says the company is paying \$249.99 business tax to the city. I continue:

The point I wish to make clear is that Ontario Hydro did pay out in cash \$148,000

and the Emard Petroleum Company is still in business on the same property, with total cost to them in rent and business taxes, the amount of \$2,649.99. Taxes paid to the city by Ontario Hydro run to \$1,020.50.

After reading *Hansard*, then looking over the facts as they actually exist, and in the interest of the taxpayer in general throughout the province, I believe this matter should be raised in the House and aired fully.

I would appreciate the hon. Minister's comments on that particular deal as well as the Branscombe one.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I have two points that I wish to bring up, and they are both words of congratulation. Firstly, I congratulate the hon. Minister, whose ability I have certainly grown to respect in this House. I want to go on record as saying that I think he is doing an exceptional job as the Minister of Energy Resources, and I wish him all the best in the continuance of his work.

The second point concerns the CANDU project in Bruce county, about which I wish to say a few words. Here, too, I want to go on record as saying that the Hydro officials, from top to bottom, co-operated with myself as the local member in every way possible.

Perhaps to the hon. members who come from Toronto or other city ridings, projects such as CANDU, with a cost of \$80 million, do not mean too much to them because they are used to large figures and large building projects. But I assure the House that in a rural riding such as Bruce we consider ourselves very fortunate that CANDU is established in our county.

I say to the hon. members that this site was picked on the shores of Lake Huron at Douglas Point, as you might say, right out of the bush. Now we have seen the project started, and next spring there are going to be large numbers of workmen erecting the buildings and getting ready for this project which will be opening in 1964.

I asked the hon. Minister of Energy Resources the other day for some figures dealing with the costs, because people who live in my area are interested in these things. Although it may not be of too much interest to hon. members here, I will tell the hon. Minister that I was successful in finding some of them.

I have not received them from him as yet, but I would just like to mention some of these costs because, later on, I am going to say that in many instances I think that they are

exceptionally low; and I want to congratulate the Atomic Energy of Canada Ltd. who, with the co-operation of The Hydro-Electric Power Commission of Ontario, have established this project.

I am quoting the cost that I found out later from a magazine—the *Nuclear Canada* issue that was sent to me by the hon. Minister some time ago. In case the other hon. members did not get it, I can assure them that it is very, very interesting. In this particular issue it deals to a large extent with the CANDU project.

To give the hon. members some idea of the costs and why they are so great, I will just run down the capital cost estimates for CANDU.

I find that the site, including land and improvements, is going to cost \$877,000. So the cost of land and getting it ready for an \$80 million project is very little indeed.

The buildings, structure and shielding will cost \$5 million—and I am speaking, here, in round figures. The reactor, boiler and auxiliaries, \$11,196,000; the turbo generator and auxiliary, \$7,145,000; electrical instrumentation, \$6,100,000; common processes—and I am really not familiar with what that means—\$3,330,000; construction of the plant and indirect, \$3,284,000; heavy water and helium, \$11,677,000; purchasing, inspecting, accounts and insurance, \$1,561,000; contingency, \$8,567,000.

Then there is one item which might be of interest to the hon. members.

This project is going to take 2 or 3 years to build, and the escalation based on a 3 per cent price increase per annum—just imagine this figure, just on the increase Atomic Energy of Canada Ltd. expects in costs in the next 2 or 3 years at 3 per cent per annum—is \$4,163,000.

Engineering is \$8,150,000; commissioning, including training, \$1,250,000; and here is something—and I point this out since no one would appreciate it more than the hon. Provincial Treasurer (Mr. Allan)—the interest on this project during construction alone is \$9,198,000. That, Mr. Chairman, is a great deal of money.

So the total estimated cost, as in the detailed breakdown that I have given, is \$81,507,000.

Mr. Chairman, I would like to point out that a project such as CANDU, being constructed in a rural riding such as Bruce, is an important matter indeed. The hon. members who come from rural ridings will appreciate the situation when numerous workmen

move into a locality where there are firstly a limited number of people working and employed; most of the citizens live in small towns or are farmers.

There are a great number of problems for the local member. For some reason or other there are many workmen, particularly in a period of unemployment such as we have today, who feel that the only way they can get a job is to apply to their local member. That is quite incorrect as far as this project is concerned, I might say. But nevertheless I have had letters from all over the province asking me to use whatever influence I might have to get the person writing a job at CANDU when it opens up, as it is going to next spring.

I want to go on record as saying this, that the personnel officer of Ontario Hydro, who is looking after CANDU, has been most co-operative. The general manager, who is supervising the construction, took me around the site, explained to me what was going on, and he could not have been nicer.

I might just mention this: I would suggest to the hon. Minister of Energy Resources that as this project will be the world's largest atomic energy plant for the making of electricity, perhaps some time he might take all the hon. members of the House up there to see it when the construction has advanced.

Now I never knew before, for example, that Ontario Hydro or the people whom they hire to do a job such as this, have a machine that will actually plow through a foot-thick rock. It was explained to me by one of the engineers that this was one of the few machines—he may have said it was the only one—of its type in Canada. One of the reasons CANDU was established there is because of the tremendous amount of water that is available, and because the site suited Atomic Energy of Canada Ltd. and Ontario Hydro. One of the things they have there is plenty of rock.

I do not mean by that this machine will go along rock 20 feet thick and plow a foot of it; that is not the idea at all. But I assure you, Mr. Chairman, because I saw it, that it will go to a field where there is one foot of rock and literally plow it as it goes along.

Another machine actually chews up a tree, and throws it out the rear as scrap. It is wonderful to see what our Hydro engineers are doing in this particular locality.

I might say that the magazine that I have referred to says that there will be approximately 100 employees at CANDU when it is finished. The estimated average salary to these employees will be \$10,000 a year

so we can see they are going to be highly trained personnel.

Another thing that should be mentioned is the fact that, after this is completed, it will be very easy to double the amount of power that is coming out of there providing that it proves to be economically feasible, of which I have not the slightest doubt at all. And if the power is doubled, if they bring in more generators and reactors, and the amount of power that is available is doubled, it will take only an extra 10 employees.

Now, the only thing that I would say to the hon. Minister, and I am sure that he has had this pointed out to him in letters from the local inhabitants and the various breeds of the locality, is this:

Next spring there are going to be a large number of workmen who no doubt will bring their wives and families into the area. And in the township of Bruce, in which Douglas Point is located and where CANDU is going to be located, we have very limited public school facilities.

I would be certainly remiss in my duty as a local member if I did not ask the hon. Minister of Energy Resources to remind Hydro of this, as I do not feel that the local people of Bruce township should be responsible for the education of these youngsters who are going to be moving in for perhaps only a two- or three-year period, or perhaps even a one-year period.

There is not a doubt in the world that they will be coming. Schools are going to have to be provided for these children, or they are going to have to be taken in buses somewhere else, and that is one thing that is certainly bothering the inhabitants of the township in which this great plant is located.

My sole reason, Mr. Chairman, in rising this morning up to the moment has been to congratulate the hon. Minister on what I consider to be a job extremely well done. I feel that Hydro, in co-operation with Atomic Energy of Canada Ltd., have moved ahead in the right direction, because there is not a doubt in the world but what uranium is going to have to be used in years to come, not only in Ontario and Canada, but in the whole world, to provide the power that is necessary to make the wheels of industry turn round.

Now, I understand that, before the hon. Minister answers, he wants every hon. member who intends to speak to say what he has to say. So before I sit down, there is one thing that I would like to mention again, and I have done this on numerous occasions in this Legislature.

Last night it came back to me once more

when the hon. Minister pointed out that during the next x number of years—I believe it was 10 years—in this province, Ontario Hydro were going to spend approximately \$1 billion in projects of a capital nature. That means that we are going to have to borrow that \$1 billion. As a matter of fact I think we now have already borrowed about \$1.5 billion. This amount is owed by Ontario Hydro, and endorsed by the people of the province of Ontario.

While I agree that some of this is being paid off each year, and I think their system of accounting and getting rid of this debt is excellent, at the same time in the next number of years we are going to borrow a great deal more.

Incidentally, I got one of these books through the mail last August, and I am sure all of the hon. members did. I noticed, on page 1 of the foreword something that I think all the hon. members—and particularly the government hon. members—should take note of. It says:

In the conduct of the commission's affairs, the commissioners are responsible for and are the final authority in establishing policy.

Mr. Chairman, if that statement is correct, I disagree with it entirely. I think there are many hon. members on both sides of the House who would agree with me. I say this, that when we are going to have to borrow such a fantastic sum as \$1 billion in the next number of years, and we as this government are going to have to endorse it, then we should have some say as to how it is going to be spent.

During the next number of months we are going to be talking about a great number of millions of dollars. I agree that last night we passed estimates of the hon. Minister of Energy Resources which, when one considers the total budget of the province of Ontario, were very limited.

When we scrutinize these things very diligently, when we on the Opposition side try to criticize the government constructively as to the spending of just a few millions of dollars, and then when one considers that not only we in the Opposition have nothing to say as to the spending of these billions of dollars by Hydro, but also none of the hon. members on the government side has anything to say about it, then I respectfully make a suggestion. I suggest that it is high time this Legislature shoved its nose into the business of Hydro. I suggest that when the commissioners want to spend huge sums such as that, they come before this Legislature,

before we, as the representatives of the people, have to endorse it.

Mr. Chairman, it is not my idea to follow along with this point much longer, because those hon. members who have been here, in years gone by, know that I have spoken on the same subject before.

I believe that there are many hon. members on both sides of this assembly who will agree with me. I do hope that the committee which investigates government procedure, and has been sitting in the past and will again in the future, presses the point that they have now suggested, that we have more to say about this huge public utility in this province—which does more business really, owes more money anyway, as far as gross is concerned—than this whole province does.

In closing, Mr. Chairman, I have just one question that perhaps the hon. Minister could answer at any time—it is not necessary that he do it today. I would like to know what the estimated cost of the power produced by CANDU is going to be, as compared to that in other plants—coal plants or electrical plants.

Mr. A. Wren (Kenora): Mr. Chairman, I would like to address a few remarks to the hon. Minister through you, sir, in the matter of Hydro.

I might say at the outset, Mr. Chairman, that I regard the hon. Minister as one of the first, if not the first, Minister of the Crown to sit on Hydro who has taken the active personal interest he has in the affairs of the Hydro commission.

I think he must be a rather probing individual because, from time to time, I hear some rather unflattering comments from some of the officials of Hydro who are not too happy about some of the questions he asks, and about some of the information he requires from them.

By that very comment alone, it would seem to me that he is doing the job that the Legislature would expect him to do on that commission. Certainly, in recent months at least, it has had its results.

I must say too that I was rather interested to note the recommendations of the select committee on government organization, when they suggested that more control of the Legislature be exercised over Hydro and other government boards and commissions. I heartily concur with those recommendations, and I will be interested indeed to hear the expanded remarks of the hon. vice-chairman when this matter comes up on the order paper for further discussion.

One subject which was of great interest to the people of northwestern Ontario, particularly in the latter part of this year, was the increased Hydro rates to industry and the mines across the north. I had some rather lengthy correspondence with the hon. Minister on this subject which culminated, temporarily, in his reply to me of October 14.

As all hon. members will know, Mr. Chairman, when the hon. Minister writes a letter, he does not fool around. His letter is rather lengthy and rather detailed and, not being an engineering expert in the field of hydro and hydro matters, particularly in the production and transmission of power and its costing, I necessarily referred this to people who at least expect to be recognized as experts in the field.

I just got word this morning that a meeting has been arranged in the north during the Christmas recess when the hon. Minister's reply and the comments of people in the mining, and pulp and paper industries will be brought together to resolve opinion in the field concerning the hon. Minister's attitude.

I may say that I appreciate the trouble the hon. Minister took to outline Hydro's position, and I have been told, as I say, by those who claim to be experts in the field, that perhaps someone in Hydro has misinformed the hon. Minister on some of these particulars he outlined. It has been stated by some people in the industry that what he did not say in his reply was much more important in some respects than what he did say.

I expect to take this up further when the House resumes again in January, and I will be in a better position to outline the views of the industry to the hon. Minister. I will certainly apprise him of those views beforehand, so that a realistic solution can be found to this rather serious problem.

While I am on my feet today, I want to bring to his attention—and I do not necessarily ask for an answer today because I realize some of these things are not easily answered—some of the backwardness in Hydro, and Hydro's thinking, which is having its effect on the economy of the country, and particularly the economy of northern and northwestern Ontario.

I have before me some correspondence, the latest of which was dated at Port Arthur on December 7, 1960—about two days ago.

To set this matter out clearly, north of Kenora there is a rather extensive deposit of base metals, particularly nickel and copper. In 1957, the northwestern region of the

Hydro-Electric Power Commission of Ontario, in a letter dated August 8, 1957, advised the companies concerned—which, at that time, were Norpex Oils and Mines, and Eastern Mining and Smelting—that it would cost an estimated \$396,300 to build 22.5 miles of 44 t-v line into their properties.

After months and months of negotiation, and hassling back and forth about these estimates, it was not until November of 1960 that Hydro came up with another estimate which actually reduced the original estimate to \$300,000. This is rather surprising, in view of the fact that we hear so much and actually we know, as a matter of fact, that goods and services have increased in cost over the years.

What we have been trying—and what the industry has been trying—to inculcate into the minds of people who make these estimates is that when they make the estimates, the figures they use are taken seriously by people in New York, and elsewhere, who are considering the purchase of bonds, debentures and stock to finance the operations concerned. And they regard an estimate of Ontario Hydro as being rather selective and being authoritative.

In this case, I am told by the companies concerned that they were prepared to build that line for less than \$200,000, but could not come to any agreement on it because the Hydro engineers, at that time, refused to reduce their estimated cost.

Three years later, however, the engineers have done so, reducing it to \$300,000. And the letter I have, dated November 25, 1960, said—and I quote in the second paragraph:

You will note that in 1957 the estimated cost for the 22.5 miles of line was \$396,000, and now, in their latest estimate, they have reduced this to \$300,000. Perhaps if we wait a few more years it will come down another \$100,000.

Parallel with this was a request by a gold mining operation near the town of Kenora for a power line into that site. The company, in communication with me, expressed the opinion that it was fantastic—which was the word they used—that Hydro would require a deposit of over \$200,000 to build 3.5 miles of power line.

I was interested, yesterday, to receive a letter from the northwestern region of the Hydro-Electric Power Commission of Ontario, which, Mr. Chairman, with your permission, I will read into the record.

With tongue in cheek, I had quoted the mining company's figures, and was very sur-

prised indeed when the commission itself confirmed them. The letter reads as follows:

Dear Mr. Wren:

In a recent edition of the *Red Lake District News* I noticed an item attributed to you which ran in part as follows: "Estimates termed fantastic by mining executives, delay action on a gold property near Kenora, following Hydro's advice to company officials that a deposit of over \$200,000 would be required to build a 3.5 mile power line."

In view of your interest in this matter I would like to make sure that you have certain information which was not mentioned perhaps in the news item. Our estimate was informal—

And I might add as an aside here, Mr. Chairman, that that is what I am complaining of: we have to get away from this informality in these important matters.

—our estimate was informal, based on previous experience in similar situations and was provided for preliminary studies only. The cost mentioned not only provided for approximately 3.5 miles of 110,000 volt line but also for a step-down transformer station. As you know, transmission line voltage must be transformed from 110,000 to 2,200 or 550 for use at the mines.

The figures quoted were not given as a condition of supply but rather as a service. The company could engage a consultant to prepare specifications and cost estimates and then award the contract to the electrical construction firm to build the line and transformer station. This is usually done after the preliminary studies indicate that there is sufficient merit to the property to justify detailed studies and cost estimates.

This letter is signed by Mr. K. N. Bodkin, consumers' service engineer in the north-western region.

Mr. Chairman, the point I am making here is simply that the employment of some 175 to 200 men has been held up, not entirely by Hydro but perhaps 75 per cent by Hydro, for 3 years because of the neglect of Hydro engineers to get down to reality in their estimates.

When the mining companies complained 3 years ago that there was something wrong with their estimating, they claimed that the mining companies' engineers were in error. But, as I have already pointed out, they have reduced those estimates now by \$100,000, 3 years after their original quote.

The companies are still in some difficulties, shall we say, in financing their debentures,

because other consulting engineers still insist that the estimate is \$100,000 too high.

I must qualify that, Mr. Chairman, to be fair, by saying there is an added problem in the fact that, despite the solemn promise of the former Minister of Mines (Mr. Kelly) to build an access road into the area some years ago, that road has not been undertaken. The company, nevertheless, is going to go ahead and the problem now is simply one of reducing costs by the use of Hydro power, once the line is built, rather than having to haul fuel from Manitoba into the area to produce electric power through diesel engines and the like.

I do not expect the hon. Minister of Energy Resources to be able to answer these things in detail today, but I do say to him that, in the riding I have the honour to represent, these things and others—the Hydro alone is not to blame—are causing a great deal of concern. There are a great many people unemployed there and, for a small expenditure of money, some of them could be given work. Despite what the engineer says in his letter of December 7, 1960, I can show the hon. Minister correspondence where Hydro officials actually discourage mining companies from using independent consulting engineers, and going into the building of lines on their own.

I do not think any mining company has any objection to Hydro supervising, or even undertaking, the actual building of the lines and charging it back to the mines over a number of years, as they do in many cases. However, there is the problem of financing, and when the estimates and the processes of estimating are unrealistic and do not stand up with what independent consulting engineers say are standard estimating practices, then I respectfully suggest that that bears a great deal of careful consideration.

I would impress upon the hon. Minister the urgency of this matter for, as I say, this along with the other matters of increased costs of Hydro installation will be discussed during the Christmas recess, during which time I promised them I would keep them informed of discussions and the outcome of these meetings.

We are in a position up north where matters are getting rather desperate in employment. In addition to already falling employment levels, we are faced with some rather serious labour negotiation difficulties in the north, and it is urgent not only to keep that business on an even keel but to produce new jobs.

I repeat here, today, what I have repeated

on many occasions: in the north we are not seeking charity, we are not seeking handouts; all we ask is a realistic application of the processes and services which is the function of government, and we will see to it that the government gets its return on its investment. Through this we will develop ourselves an economy which will look after our own people without public assistance.

Hon. Mr. Macaulay: My hon. friend, may I just say this before the hon. member for St. George (Mr. Lawrence) speaks?

Could I say to the hon. member for Kenora that I am concerned about the matters which he has raised; and as soon as *Hansard* is printed and I can use that as the basis of the inquiry, I shall do so.

He made reference to some correspondence. I would be grateful if we could discuss that, if he could get it for me, and let me have it some time.

Mr. Wren: I may say to the hon. Minister that I have some of it here which I have been asked to return—

Hon. Mr. Macaulay: Well, when he gets it.

Mr. Wren: If the hon. Minister wants to have his staff make a copy of it and return it—

Hon. Mr. Macaulay: That would be fine. I mean, if I can help the hon. member, I want to do so.

Mr. A. F. Lawrence (St. George): Mr. Chairman, I rise on a matter I want to bring to the hon. Minister's attention. It is of no great importance or great moment.

I do not think it is in the category or the classification of warp and woof which the hon. member for Sudbury (Mr. Sopha) was throwing around in gay abandon the other night, although I also hope it would be on a higher level than the "mish mash" which I think the hon. member for York South is fond of using. But it does relate to the name of this mammoth organization and specifically to the word "Hydro" in the name of it.

I do not know, Mr. Chairman, if you have ever had occasion to speak to a stranger to Ontario about Ontario Hydro; but if you ever have, you will have had the experience I had, namely, that they really do not know what you are talking about unless you also tack on the words "Electric Power Commission."

There are very few other jurisdictions in the western world which now attach the word "hydro" to power corporations.

My understanding of the word "hydro"—specifically when it relates to the generation of electric power—means the generation of electric power by means of water power. Now, in the good old days, perhaps that was true; but, today, within 15 miles of where we sit here, we have two huge generating plants which do not use hydro power. We are not using hydro power from them—we are using power that is generated by means of coal.

We heard last night of a new plant that is going to be built at the Lakehead, where the generation could be by gas again, or coal. There are other plants, about which we heard a great deal, which use nuclear power as their energy generation.

I think it is about time that we politicians, and even perhaps an emanation of government—namely, a government agency—had enough nerve to call a spade a spade. I would like to bring to the urgent attention of the hon. Minister that he give very serious consideration to deleting the word "Hydro" from the name of this commission, and call it something like "Ontario Power" or "Ontario Electric Power Commission."

Mr. T. D. Thomas (Oshawa): Take it out of the hands of the politicians and put it into the hands of the professors like yourself.

Mr. K. Bryden (Woodbine): Mr. Chairman, the procedure which the hon. Minister of Energy Resources is adopting with regard to the position of Hydro has certain definite advantages that I can see. On the other hand it does create certain difficulties for hon. members because the comments one may wish to make may depend on certain information that one would like to elicit from the hon. Minister. When he is holding all the answers to questions until the end, that makes it a little difficult to know where to proceed on points one might be interested in.

However, I will carry on as best I can on the basis of the information I now have. I would like first of all to direct a question to the hon. Minister which he can answer when he gets an opportunity. On pages 36 and 37 of the 1959 annual report of the Hydro-Electric Power Commission of Ontario, the funded debt situation is shown as at December 31, 1959, which is the period covered by the report.

I would be interested in knowing if the hon. Minister has the figures available as to the changes which took place in that situation during the year 1960 to date—specifically, what bond issues were floated either by or on behalf of Hydro and also

what redemptions were made during the year. With respect to the bond issues floated, I would be interested in knowing the proportion or the amount that is payable in United States funds.

Hon. Mr. Macaulay: I would say to the hon. member, if this is any help to the additional questions that he wants to place, my recollection is that there was \$100 million added to the indebtedness and it was all placed in Canada.

Mr. Bryden: And was that one issue or more than one?

Hon. Mr. Macaulay: I have an idea it was two, \$60 million and \$40 million. Does the hon. Provincial Treasurer recall the two loans that Hydro took, were they \$60 million and \$40 million respectively?

Hon. J. N. Allan (Provincial Treasurer): There were two, but not during the last—

Hon. Mr. Macaulay: I have an idea it was in that neighbourhood of \$100 million. However, I will get that information for the hon. member.

Mr. Bryden: Thank you very much. I believe one of these issues was floated in June, 1960, and I have received certain complaints from individuals who wanted to buy the bonds issued at that time but could not get them except at a premium. I am not entirely familiar with Hydro's procedure, but I would judge that their method of floating this particular issue at any rate was to sell the entire issue to bond houses. The bond houses thereupon disposed of it to the public.

Any individual, any one of these shareholders of Hydro who consist of all the people of the province, who wanted to invest a sum of money in what is undoubtedly quite an attractive investment could do so only by paying a premium over and above the normal commission to bond houses.

My information is that the bond houses got the issue at \$99.50. One man who spoke to me said he wanted to buy \$25,000 worth; it was offered to him immediately at \$100.50—in other words, at a one point premium.

Hon. Mr. Macaulay: I have the information if the hon. member would like it. There were two bond issues. They were \$100 million. They were not 60 and 40, they were two 50's. The first one was on February 15, 1960, in two issues, and I will just give the first issue and then the second issue. The first issue was for \$16 million with a coupon rate of 6

per cent, maturing on February 15, 1970. The issue price was \$99.50 to yield 6.07 per cent; cost price was \$98.50; the cost to Hydro is 6.20 per cent, and they were sold in Toronto.

The second part of the issue of February, 1960, was \$34 million; coupon at 6 per cent, maturing of February 15, 1980; an issue price of \$97.75; the yield, 6.20 per cent; cost price of \$96.75; the cost to Hydro 6.28 per cent; issued in Toronto.

The issue of \$50 million on July 15, 1960, was again broken up into the 10- and 20-year maturity. Taking the 10-year maturity first, in the sum of \$5.4 million with a coupon rate of 5.25 per cent—one can see that the interest rate had dropped three-quarters of one per cent in a matter of a few months—it is due in July 15, 1970; the issue price, \$1; the yield thereon, 5.25 per cent; the cost price \$99; the cost to Hydro, 5.38 per cent; issued in Toronto.

The second part of the same \$50 million loan was for \$44.6 million; a coupon rate of 5.5 per cent; a quarter per cent higher than the 10-year maturity; maturing on July 15, 1980; with an issue price of \$99.50; yield of 5.54 per cent; cost price \$98.50; and cost to Hydro 5.62 per cent; and that also was issued in Toronto.

Mr. Bryden: Were all of these issues disposed of in total to bond houses?

Hon. Mr. Macaulay: Yes. There is a syndicate. As the hon. member will recall, a number of the bond houses are in a syndicate, and when Hydro needs to raise money on an issue it calls in the bond houses and has a conference with them as to what rate they think would attract the market at this particular time. It is very variable from morning till afternoon. You can place yourself a little too high or a little too low. You have no real yardsticks to go by except from experience, and these people are the largest of their kind in the country and certainly in the Ontario market. For that matter, they deal in the world market.

These people are really a committee which advises the finance side of Hydro as to what the going rate is today, what will attract money. We always try, of course, to get the most favourable return that we can and try to place them just exactly right. That is very hard to do.

Sometimes they will go to a premium instantly, which means that we have underestimated the anxiety of the market. Sometimes they may not go well enough, in which case we have overestimated the anxiety of

the market. A bad loan can be a black eye both to the province and to Ontario Hydro. Therefore, it is a very skilled matter to be able to place these loans on the market at exactly the right amount.

Mr. Bryden: I can appreciate the hon. Minister's claim that this is a highly technical and difficult business. There is, nevertheless, a point that I think should be borne in mind. Certainly in at least one of these issues there was an immediate premium available to the bond dealers, and the average fellow who wanted to buy in had to buy in at premium price.

Hon. Mr. Macaulay: What sometimes happens, if we can just discuss this back and forth for a minute, is that the syndicate agrees that they do not know whether the public will buy. They say, "We will buy it from you," and if they cannot turn around and sell it they are stuck with it. We have the money in the meantime.

That is why they have an interest in disposing of the bonds to the public and we, on the other hand, have our interest in trying to get as much money in from the issue as possible.

So, the hon. member can see, there is this struggle to make sure that a fair amount is allocated for the bonds. The syndicate buys the bonds, in many cases gives us a firm commitment for all of the issue or a very large part of it, and if they do not sell it to anybody at all we still have our money.

The point I am trying to make to the hon. member is that there has, in effect, to be some commission to them, otherwise they would just handle it on our account. They have to have some incentive to sell it, and certainly they have to have some incentive to buy the whole issue from us before they have sold it to any one.

Mr. Bryden: Do they not get some commission on the quoted price, even so? They do not depend entirely on any profit they can make on the market?

Hon. Mr. Macaulay: I would say to the hon. member that I am not an expert on these matters. But now that he has raised it, and I realize my inadequacy in this connection, I will be able to give him a much fuller answer the next time he questions me on it.

It is a procedure that Hydro will undoubtedly be engaged in for a long time, and there is no doubt further discussions will be in order at other sessions. The committee will meet and, if the hon. member would like, I

will see that the controller or the treasurer or our finance people are there so he can discuss it with them. I think this is an important matter, and it was raised by the hon. member for Bruce and I would like the hon. member to be satisfied about the procedure.

Mr. Whicher: The point is that I think they could very well lose money. The next day they sell these bonds to the public and it is not every day that they make it. It is true that they try to make it, and in the majority of instances they would make that point or half a point, but it is quite possible to lose. I know a fellow who bought a huge amount of them and lost a great deal of money the next day because he had to dispose of them.

Mr. Bryden: Well, I know that people can lose money on bonds but I have not noticed that the bond houses are usually the heavy losers in the field. In the entertainment world, when somebody buys a ticket to an exhibition of some kind or other and then sells it immediately at a premium, that practice is referred to as scalping, and the police take a very low view of it.

It seems to me there is a certain amount of scalping going on in regard to these bonds. They are bought at one price and cornered and immediately there is a higher price. I have said already, and I will repeat, that I know it is a very difficult and complicated field, but I think consideration might be given to making some proportion of an issue available through the provincial savings offices or in some other way so that the public could get it directly.

I realize that on that basis Hydro would not have the money in the till. But perhaps a small proportion of the bonds sold in this way might satisfy the requirements, particularly of people in rural areas who do not have easy access to these bond houses.

Hon. Mr. Macaulay: I think that is a very good idea.

Mr. Bryden: It is a matter that can be considered and I am certainly not trying to imply that there is any easy solution.

One other matter I would like to raise, Mr. Chairman, relates to the Little Long rapids hydro project and specifically to the men engaged in slashing operations on that project. Some time ago, on August 29 of this year, I called public attention to what I considered to be the very undesirable conditions under which these men were working.

At the time, the Hydro representative said there was absolutely nothing in what I said,

it was completely false, even though I was making my statements on the basis of observations I made on the spot and discussions I had with the men.

Notwithstanding the fact that there was allegedly absolutely nothing in what I said, an announcement was made by Hydro a short time afterwards to the effect that they were cleaning up these conditions. I do not know at the moment to what extent the conditions have been cleaned up. I would certainly hope that at least some of them have been straightened out. Perhaps the hon. Minister will be able to advise me about that.

The time I went to this particular project, which was on August 28, I can certainly say that the conditions were disgraceful. One spot in particular I would particularly like to mention was a camp known as the Ouellette camp.

This was a camp in which the men were not actually engaged in slashing, they were engaged in the operation that follows slashing, namely, cutting the logs and piling them. The contract for this work had been let out, I believe, to a man called John W. Fogg and he in turn subcontracted to Ouellette.

Ouellette had a camp where he provided accommodation, if one could call it that, for the men whom he hired to do the actual cutting and piling.

I hope that, in its clean-up operation, the Hydro-Electric Power Commission wiped this Ouellette camp out altogether, because it was a disgrace to the province of Ontario.

The sleeping accommodation was disgraceful. In some of the tents the stench was so bad it was impossible for a tenderfoot like me to even go into them. The tents were badly overcrowded, and were in very poor condition. The condition of the grounds was terrible, with garbage all over the place.

There was just nothing favourable one could say about this camp. It made one think of the bad old days in the bush when men were treated little better than horses. Ouellette also paid them very low wages and charged them high rates for board and lodging. I hope this Ouellette camp has vanished off the face of the earth. Perhaps the hon. Minister can advise me on that when the time comes for him to make his final statement.

Leaving aside the Ouellette camp and turning now to the men actually engaged in slashing operations—that is, clearing the bush so that work can proceed—these men were then, and I believe still are, in the euphemistic category of independent contractors.

In other words, a man, or more usually a group of 2 or 3 or 4 men, would enter into a contract with the Hydro-Electric Power Commission to clear the bush off a certain section of land. Then, when they complete that contract, they enter into another contract.

They were required to sign contracts covering their work, and I have a copy of one of those contracts here. As will be apparent to hon. members, it is on a sheet of paper that is approximately two feet long. It is in two columns of quite small type. It is, as any contract would be expected to be, in highly technical legal language.

The men who are working on this job are bushworkers. Most of them have very little schooling. They have the knowledge and training that is necessary for their occupation, and that does not involve much book learning. Some of them—I would not care to estimate the proportion but certainly a substantial number of the men I met there were French speaking—could not understand English at all, certainly could not read it. They also were required to sign these contracts written in English.

I am certain that none of them knew what they were committing themselves to. I would like to read just one paragraph from one of these contracts. In doing so, I will illustrate both the kind of language that is used and also some of the things the men committed themselves to. The contractor referred to is the actual man or group of men who are doing the work. The contract reads:

The contractor covenants and agrees:

(iv) That he will assume all risk of and liability for any and all injury, damage and loss to property—including that of the commission—or persons—including loss of life—occasioned by or attributable either directly or indirectly to the work being performed under this agreement, to the extent that such injury, damage and loss shall have been caused by the negligence or default of the contractor, his servant, agents and workmen, and that he will indemnify and save harmless the commission from and against all actions, claims and demands for injury, damage or loss arising from or attributable to such negligence or default.

This would undoubtedly be a very interesting clause for some of the legal hon. members of the House. To the men who were asked to sign this contract it was mish-mash. I may say that all of the contracts are in the same type of language. I will not

call it gobbledy gook—I suppose that expression could be used, but the contract has to be in very specific language, and lawyers would certainly not make much of a living if all contracts could be stated in very simple terms. But this is the sort of thing these men were asked to sign.

Furthermore—I do not know if this condition still exists—but at the time I was there, when they signed the contract the rate of remuneration they were to get—or the amount of money they were to get—for the specific job they were to perform was not entered in the contract. They signed a contract that was blank on that point. That was entered afterwards—arbitrarily. There was no negotiated rate at all, although these men are ostensibly independent contractors. Moreover, most of them told me that they did not have copies of the contracts they signed. Each contract is stated to have been signed in triplicate, but the men did not get copies of it.

These men were required under their contracts—this is all set forth there, I will not inflict any more of the wording of this contract upon the hon. members of the House, but it is all set forth there—they were required to provide everything for themselves. Not only were they required to provide tools, but their own living accommodation and everything else. They were not men with capital resources behind them, they were just ordinary working men.

They were not able to provide proper living conditions. The conditions under which some of them lived were absolutely disgraceful; but it was the best they could do. They could not afford the capital investment necessary to establish a proper bush camp.

I understand that after this matter became a subject of considerable controversy—after I raised it last August, and after the commission had stated that there was nothing in my statement at all—they subsequently relaxed a rule they had and permitted these men to enter Hydro camps if they wished.

When I was there, these men were not even allowed to go into the Hydro camp. In one location there was a well-kept Hydro camp and right beside it, across a mud-hole, there was a slum where the slashers lived and they were not allowed into the camp. I understand that this has been changed and those who want to go into the camp may do so.

But I would submit to the hon. Minister that this whole approach to the employment of labour—and that is really what it is—is a wrong approach. It is strictly phoney to

suggest that men, who are ordinary working men doing manual labour without any significant capital resources behind them, are independent contractors in any meaningful sense of the word. They are employees.

This device of making them legally independent contractors, and making them enter into this type of contract, is an age-old device for exploiting them. The employer thereby escapes legitimate obligations to them. They are unprotected and unable to defend themselves and the employer is able to take advantage of them in any way he sees fit.

I am ashamed to say that, according to my observations, this great public utility of Ontario, the Ontario Hydro-Electric Power Commission, was taking advantage of these men—and for all I know may still be doing so—in a most disgraceful manner and, furthermore, it permitted other people to take advantage of them, particularly a merchant in Kapuskasing who was really taking them for a ride, because—

Mr. H. C. Nixon (Brant): Have they got their workmen's compensation?

Mr. Bryden: I really could not say. I would say that technically they would not be under The Workmen's Compensation Act. My impression is that Hydro has covered them for purposes of workmen's compensation. As far as I know, they are not covered for unemployment insurance, but I could be wrong. If I am wrong, the hon. Minister will no doubt correct me.

An hon. member: What about their union?

Mr. Bryden: That is really the basic point—and it is an old, old dodge—you make people independent contractors and they are no longer employees within the meaning of The Labour Relations Act. Therefore it is impossible for them to get the protection of that Act and almost impossible for them to organize, whether they want to or not.

Mr. E. Sopha (Sudbury): Let us be fair, that is the way they want to work.

Mr. Bryden: Well, I was going to come to that. I thought it would be the hon. Minister who would tell me that, rather than the hon. member for Sudbury.

Hon. Mr. Macaulay: He knows a lot about the area, that is why.

Mr. Bryden: Yes, I know he knows a lot about the area and I happen to know a little bit about labour conditions too, having spent most of my life working on labour matters.

It has been my experience in dealing with labour matters that whenever there is a group of men who are being exploited, the employer will always say that they want to be exploited. He will even get them to sign statements to the effect that they want to be exploited, and that they are perfectly happy at their jobs.

They often sign such statements. Sometimes it may be a matter of pressure, not necessarily consciously exercised by an employer, and sometimes it may be simply that they do not know any better. These are the conditions under which they have always worked and they consider them as normal.

But I submit that the Hydro-Electric Power Commission should not take advantage of people in this way. When it wants to hire men to work in the bush, it should provide proper living accommodation for them and, according to my observations, proper living accommodation can be provided only in organized camps which these men could not possibly provide for themselves. Furthermore, Hydro should not resort to this type of device.

I can quite agree that in this kind of work it may be necessary to have some kind of a piece rate or incentive rate—some sort of a rate for a particular job so that the employee will get so much for doing a specific amount and can do the job quickly or slowly as he sees fit. That sort of principle for establishing remuneration may be quite necessary in this kind of work where close supervision is not possible. In other words, I certainly do not suggest that these men should be put on hourly rates and then sent out to the bush and told to go and clear a certain section of bush.

Certainly on matters of remuneration some sort of incentive or piecework system would undoubtedly be in order. But that is a matter than can be taken care of within the normal employer-employee relationship. It is not necessary to make independent contractors, so-called, of these men, in order to provide a specific system of remuneration. The effect of the device of making them independent contractors is that they are deprived of all sorts of other rights and protections which properly belong to an employee.

I have already made public statements on this issue. I will not belabour it any further now. I would merely suggest to the hon. Minister that the Ontario Hydro-Electric Power Commission should reconsider its policy, wherever it is in effect, of treating what are really ordinary employees as

independent contractors and thereby escaping obligation towards them.

Hydro—of all employers in this province—should be a model employer. It should not in any way help to perpetuate some of those terrible conditions that at one time existed in the bush. It should be providing better conditions, if anything. If it still is continuing with the device of treating certain employees as independent contractors, I submit that in its responsibility to the public of this province it should cease that practice. It is an undesirable practice that should be abolished, and Hydro should be the first to abolish it.

That, Mr. Chairman, I would like to leave with the hon. Minister for his consideration. I know there are all sorts of arguments that can be put up on the other side. But when we get down to brass tacks, none of them holds water. The basic fact is that in all essentials these people are employees and should be treated as employees. And an employer like Hydro should be a good employer and ought to give them good treatment.

Hon. Mr. Macaulay: Might I just make reference to this point that has been raised by the hon. member for Woodbine? I will come back to it when I ultimately deal with all of the questions that have been asked of me, but I would just like to say a couple of words in connection with it so that these two matters—both sides—can perhaps appear at the same time.

The hon. member has said that any employer can obtain statements favourable to the employer by applying indirect or direct pressure, but I would just like to draw to the attention of the House a few statements which were reported in the *Toronto Daily Star* on September 6, 1960, as a result of questions put by a reporter to certain men.

John Landry said to the *Daily Star* reporter: "I have been with Hydro for 5 years. I am well satisfied."

Andre Normandeau said: "I got no interest in any strike or any union, I get good money."

Joseph Roy said: "The union should mind its own business, not mine."

Eugene Brazeau said: "The union is just trying to cause trouble where there isn't any."

Pat Cataford added: "I have a contract to cut wood, I am not quitting."

And Alonso Drouin said: "Would I stay 20 years with Hydro if I did not like it?"

Now, those are not the employer's statements, they are statements in reply to questions asked by a reporter of men on the job.

In relation to a couple of points which the hon. member has made as to the status of these people, I will come back and deal with the specific charges at a later time, or perhaps today, but whenever I rise to answer these questions generally.

In terms of status, the labour relations board of Ontario in February, 1959, ruled that the slashers were individual contractors and not employees within The Labour Relations Act. As far as their remuneration is concerned, they can make up to something in the neighbourhood of \$20 to \$30 a day, and \$150 a week is not uncommon.

As far as the satisfaction of the employees is concerned, the labour turnover has been very low and these contracts have been eagerly sought. There has been no illness this year and, as far as we are concerned, these slashers are fine, rugged, independent individuals, mostly of French-Canadian origin. They want to do work this way, and if they want to do work this way that is the way we are going to work with them.

Some hon. members: Hear, hear.

Mr. Bryden: As I have said, that is the kind of answer one always gets from an employer who is exploiting labour. I would like to make one or two comments on what the hon. Minister has said.

Hydro has cited the tremendous amounts of money these men are making. I would point out, first of all, that the amounts stated are gross and out of them the men have to pay all expenses incurred on the job.

Hydro is not responsible for anything, not even providing a nail, as one man said.

Furthermore, I saw a good many of their invoices—I certainly did not see all of them, but I saw a good many—and I was not able to find one case where men were getting the sort of remuneration that the hon. Minister has just stated.

I am not saying there are not any such cases, but certainly there are a great many others where the rate of remuneration and the net amount the man gets is quite low indeed—I would say disgracefully low.

With respect to the hon. Minister's reference to the *Toronto Daily Star*, I was not going to raise this matter but, now that it has been raised, I might as well speak about it.

The *Toronto Daily Star* muffed this story. They were scooped by the *Toronto Telegram*. There was a *Toronto Daily Star* reporter sitting up there and I am not holding him responsible in any way, but his city desk muffed the story.

The *Toronto Telegram* scooped the *Toronto Daily Star* on this story, even though the *Star* had the story at exactly the same time as the *Telegram*—I gave it to both simultaneously. The *Star* took the attitude of trying to pooh-pooh the story, since it was a *Telegram* story.

An hon. member: Oh, no, no.

Mr. Bryden: This is the way our great news agencies work. If one fellow gets a scoop, the other fellow has to kill it or try to get another scoop.

So they went up, and they interviewed 5 people, and out of the very substantial number of men working there, they found 5 whom they could quote to pooh-pooh the story—

Hon. Mr. Macaulay: I quoted 6 to the hon. member.

Mr. Bryden: Well, 6 then, 5 or 6, out of a very large number—I could quote to the hon. Minister all sorts of men there who gave me entirely different stories.

The *Telegram* quoted men who gave their reporter all sorts of different stories, so the hon. Minister is really in pretty bad shape if, in this situation, he has to rely on the *Toronto Daily Star* to bolster his weak case.

However, I will make a deal with him if he—

Interjections by some hon. members.

Mr. Bryden: If the hon. Minister wants to rely on what the *Toronto Daily Star* says on this, I will go along with him if he will agree that he will rely on what the *Toronto Daily Star* says on all matters respecting Hydro. He has tried to bolster up a weak case with a few statements—

Hon. Mr. Macaulay: I think the hon. member was—

Mr. Bryden: —obtained from a small proportion of the working force. And, in any working force, I would say that one will always find some men who will make statements of that kind; but if that is the best he can do, I suggest it is very urgent that he should reconsider, and have Hydro reconsider, this antiquated and most undesirable practice.

An hon. member: Will the hon. member let the *Toronto Daily Star* reporter reply?

Mr. MacDonald: He gets more opportunity than almost anybody.

An hon. member: Yes, the press is not going to be very good from here on in.

Another hon. member: The hon. member did not say anything about proving it.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, after the remarks of the hon. Prime Minister (Mr. Frost) a few days ago, I determined in this House I would try to conduct myself as an honourable member. I determined that I would try to accept the sincerity of all hon. members, and try to believe that their comments are given in the spirit of sincerity. After listening to some of the comments which have come from my left I sometimes wonder if these hon. members really believe in anybody.

Several hon. members: Hear, hear.

Mr. R. C. Edwards: A statement comes out, and even if they are quite willing to report the statements of the press when it suits their purpose, we have these ridiculous statements that when a newspaper makes some observations which do not fall in line with their thinking, then the newspaper was scooped and its staff were bitter.

I am quite willing to agree with the hon. member of the CCF party, but I do not understand him, and I would be glad to be enlightened sometime at his convenience.

Mr. Chairman, the point that I really rose to speak about is that I understand there has been some considerable debate in the House today about the matter of the very substantial amount of money which is being raised by Ontario Hydro, and which has been guaranteed by the Ontario government.

I understand this money is being raised in the form of loans which are floated and sold to the public.

I think we are all aware that many of the industrial leaders in the province of Ontario have been proclaiming—perhaps a better word would be to say they have been complaining—about the increasing rise in the rates of Hydro to industry. I think that as these rates of the cost of Hydro or the cost of electrical energy rise, the only end result can be a discouragement to industry in the capital expansion which is required to ensure economic growth in the province of Ontario.

The question I would like to direct to the hon. Minister is this: I would like to know what basis the Ontario Hydro-Electric Commission uses for calculating depreciation of capital expenditures for book purposes. It may be that this information is available to me in some publication that I have not yet seen.

But it seems to me that it might possibly be that, because of this very substantial expansion in the capital cost by Hydro which has been necessary, this unprecedented rate of expansion is such that the cost of depreciating this equipment is having an effect on the cost of Hydro which might be unrealistic. In other words, Mr. Chairman, it may be they are amortizing the repayment of this capital cost at too rapid a rate. Thus the end result would be a considerable increase in the cost of Hydro to the industrial users.

Hon. Mr. Macaulay: Would the hon. member permit me to say it is done on a 40-year basis?

Mr. R. C. Edwards: Well, Mr. Chairman, like some hon. members of the House, I do not pretend to be an expert on everything, and it may be that this rate is very realistic. I am merely suggesting to the hon. Minister that possibly even 40 years might be too short a time to amortize the cost of this capital expansion.

I think we are all aware of the fact that the unemployment situation which exists in Ontario today and in Canada today is a very real problem. I am sure that every hon. member of the House is genuinely concerned with this unemployment, and I am only suggesting that possibly, if there was some way of finding a method of supplying Hydro to these industrial users at a lower rate, it might stimulate this capital expansion which is necessary for the economic growth of the province.

I think the hon. Minister, in stating that the time of amortization is 40 years, has more or less taken the sense out of the next question I had intended to ask, but perhaps he would clarify it for the record.

Would the hon. Minister tell us whether or not these Hydro bonds which are floated are self-liquidating?

Hon. Mr. Macaulay: Yes, they are. The rate charged for power is calculated to retire the debt in 40 years.

Mr. R. C. Edwards: Well, Mr. Chairman, my point in rising was merely to put this thought before the hon. Minister. I am concerned about the unemployment situation. I am concerned about the fact that industry tell us today they are thinking of moving to other areas because of the lower costs of power, and I felt that anything which the Ontario Hydro-Electric Power Commission could do to lower these rates might be of advantage.

The hon. leader of the CCF party (Mr. MacDonald) stated that industry should stand on its own feet, and that any change would automatically result in a higher rate to domestic users. I am not advocating that the rate to domestic users be increased, but I would also like to know from the hon. Minister what basis is used to calculate the division between the cost of industrial power and the cost of domestic power.

What is the yardstick used? How do they break down the amount of the cost that is attributable to industry as opposed to the domestic market?

Hon. Mr. Macaulay: I am sure the hon. member is not finished, but if I may, I will say just this: In *Hansard* he will find either last year or the year before—I think two years ago perhaps—a speech that I gave on how rates are calculated. It ran for nearly an hour and a half, but it is a very complicated subject, and if the hon. member would like to have a look at that, and if it does not answer all his questions—and it very well may not—I would be happy to discuss this with him.

In fact, if he would like to come in some time, I would be happy to discuss it with him, and I will also speak about it here in the House. But may I make one comment? The cost of power to industrial users is based upon the exact cost of laying the power down to the industrial user.

Mr. R. C. Edwards: It would seem to me, as a layman, that the cost of laying the power down from the source to the industrial user would be made up in part by these transmission lines which would in turn service both the domestic and industrial markets. Now, I am asking, is it broken down on a proportionate basis?

Hon. Mr. Macaulay: That is correct, yes.

Mr. R. C. Edwards: In other words, it is calculated on a *pro rata* consumption of the total power that you use?

Hon. Mr. Macaulay: Well, I could give the hon. member an example. This is not a good example, but let us say we had a streetcar running from the top to the bottom of Toronto; and it cost \$100 to carry the streetcar down; and it had 8 employees or passengers of industry on it; and it had 92 passengers of municipalities on it; then he would have some idea of the proportion that the municipal employees would have to pay of the \$100.

Mr. R. C. Edwards: Well, I just want to make one other comment, Mr. Chairman, and that is this: As a layman, it seems to me difficult to understand the method which is used in Ontario in the calculation of depreciation.

It seems to me that when it is a business corporation such as the Hydro-Electric Power Commission, we do have a sensible, systematic method of depreciation. Yet when it comes to the assets of the province in another form, such as roads, public buildings and the like, we do not seem to have a consistent method of depreciating those assets in the same manner as we do for the Crown corporations.

It seems to me that possibly the hon. Minister could take a serious look at this, and possibly give some thought to increasing the time of depreciation allowed for capital assets in the hydro-electric system so as to, I would hope, bring the cost of hydro down to the user in Ontario.

Hon. Mr. Macaulay: I would just point this out to the hon. member. He and I are both struggling in a similar sea.

These are very involved things and they are hard for a layman to understand. But I would draw to his attention the fact that when an asset of Ontario Hydro is depreciated, the depreciation is reinvested into plant, and when it is reinvested into plant it simply means that you do not have to borrow to buy the plant in which it is reinvested. Therefore, you do not have to be paying interest on the borrowing, so the net effect on the rate can very well be the same.

However, the point of the hon. member is well made, and I will speak about it.

Mr. P. Manley (Stormont): Mr. Chairman, I wish to make a few remarks in regard to the Hydro-Electric Power Commission of Ontario.

First of all I want to join with the previous hon. members who complimented the hon. Minister for the way he made his presentations yesterday and last evening.

I do think he is one of the hon. Ministers who have a very great grasp of their departments, and he does go into great detail in trying to bring to the House the problems that confront development in the province at the present time.

Now I know that the hour is getting late, Mr. Chairman, but there are a few subjects that I would like to talk about.

Hon. Mr. Macaulay: I would not want, and I know the hon. Prime Minister would not

want, and the hon. House leader at the moment would not want, the hon. member to cut his remarks short. I shall not be able to reply today to all of the comments that have been raised; in which case when it comes time to adjourn, I will adjourn the debate and we will continue it on another occasion.

So would the hon. member please say what he would like to say? In short, do not hurry it.

Mr. Manley: Thank you.

One of the first things that I want to touch upon, and the hon. Minister mentioned it last evening, is the project going on at Hawkesbury. He did say that they did look at the former agreement, and the possibility of changing that particular agreement, but they came to the conclusion that it was better to go ahead with the agreement as drawn up some 17 years ago.

I did notice in the great French-Canadian paper that covers the eastern part of the province, *Le Droit*, an article reporting a meeting that took place last Thursday evening in Hawkesbury—and I am sure that the hon. Minister of Public Welfare from Prescott (Mr. Cecile) would know more about this than I do—where some 200 citizens attended, with the municipal council and Mr. Harry Hustler, representative of Ontario Hydro.

Mr. Hustler said that evening that they were going to proceed with expropriation, that the land could not be salvaged. Now, whenever we talk about expropriations, Mr. Chairman, I think it is a word that the majority of citizens fear. I think that I can speak with a little experience from my own area because we have gone through that procedure and we are going through it at the present time.

Mr. Hustler made the remark, according to the report I have here, that there would be a fair and equitable price put on those properties.

I am wondering just what the people in Hawkesbury think a fair and equitable price would be for their properties. We must realize, Mr. Chairman, that whenever we have a project of this kind hanging over a community for a period of 15, 16, 17 years, properties that are going to be involved certainly do not have a comparable value to properties in other communities.

I know the area quite well. I have been in Hawkesbury a number of times, and while some of those properties from the outside do not look maybe as good as they might if this

project was not hanging over them, still the inside of those homes are comparable with some of the latest and most modern homes anywhere in the province.

Whenever we talk of market value plus forceful taking, I do not think such could really be considered a fair and equitable price. I do not know what Hydro is going to consider as fair and equitable in the Hawkesbury district, but I do want to say to you, Mr. Chairman, and to the hon. Minister, that I think if those people are going to sacrifice their homes and their property, then they must have something in the form of replacement value.

One of the questions as reported in the paper last evening was that if any of those buildings were going to be moved to another site, people there would want to know well in advance when it was going to be done.

Another thing I think concerns us all is that if there is going to be a rehabilitation programme of this kind, then the people should be protected. The land around should not be gobbled up by people who are in the business of acquiring land and developing it for sites and for lots.

That is all I am going to say about Hawkesbury at the moment.

I want to pass on to the problem that the hon. Minister mentioned yesterday when he referred to me, and that is the Ingleside shoreline that we heard so much about in the Legislature on other occasions.

I want to say to the hon. Minister that I am very thankful, as the member for Stormont, that the Hydro-Electric Power Commission saw fit to improve this shoreline. I have been there and they are endeavouring to do a good job.

But I wonder sometimes why it takes persistence and needling before necessary work like this is undertaken.

I well remember whenever I brought it up in the Legislature here before that the hon. Minister said that it could not be done. But after all I think that if there is a will there is a way, and this has been demonstrated in this particular case.

Of course, we have had a great development in Seaway valley, and I think the hon. Minister should tell the House, whenever he is making his reply, how many final settlements have been made in Seaway valley and how many of those people who have been moved to new townsites have the deeds to their properties. I think this is very important. If they have not got the deeds to the properties, just what is the reason? I think it

is something which concerns this House and it concerns the people of the province as well.

Mr. Chairman, the hon. Minister was very accurate in giving his summary of the department yesterday, and I listened quite attentively to him. But I do not know whether he mentioned to the House the fact that they applied to the national energy board for permits to export power out of the province. I have the clipping before me here at this time, Mr. Chairman, and I would like to read a little of it. This is from the November 7 edition of the *Toronto Globe and Mail*. It reads:

Ontario is asking the national energy board for licences under the new policy of the government. Instead of granting export licences on a one-year basis the board is asking to export power on a long-term basis.

The Ontario utility asked for a licence to export interruptible power to the Detroit Edison Company, Niagara Mohawk Corporation, and the power authority of New York state. This application sets a limit, in any one-year period, of 7 billion kwh.

Quite a sizeable amount of power!

In a second application, Ontario Hydro asked for a licence to export firm power to the Niagara Mohawk Power Corporation in New York state. It asked permission to transmit up to 394.2 million kwh in any consecutive 12-month period. The licences would expire December 31, 1965.

In the hon. Minister's remarks yesterday, Mr. Chairman, he did say that we were not able to produce enough power in Ontario to provide the wants of the citizens of this province.

What concerns me, Mr. Chairman, is the fact that we have in eastern Ontario, in the city of Cornwall, one of the greatest unemployment situations that can be found anywhere in the province.

According to this very illustrious report that was put on our desks a few days ago—put out by The Department of Economics of this province—it looks as if we are going to have an increase of population in eastern Ontario, and I am just wondering what is going to take place. The city of Cornwall at the present time is being supplied with power by two private companies. The one is the St. Lawrence Power Company and the other is the Cornwall Street Railway, Light and Power Company.

In addition to the Cornwall Street Railway, Light and Power Company furnishing power to the city of Cornwall, it also provides a

freight service and it has contributed a great deal to industry in the city of Cornwall. It delivers freight from the Canadian Pacific Railway and the Canadian National Railways—

Hon. Mr. Macaulay: I am sorry, I missed the name the hon. member said.

Mr. Manley: It is the Cornwall Street Railway, Light and Power Company.

Hon. Mr. Macaulay: Thank you.

Mr. Manley: They transport freight from the yards of both the Canadian Pacific Railway and Canadian National Railways to the different industries, and likewise transport goods from one industry to another. Now, those companies have informed the city of Cornwall—

Hon. Mr. Macaulay: Do they cross the river, too?

Mr. Manley: Pardon?

Hon. Mr. Macaulay: Does that line cross over the bridge there? Does it cross the river on the old bridge?

Mr. Manley: I would not be sure whether that is right or not.

Those companies informed the city a couple of years ago that if there was any great increase in population of the city of Cornwall, that they were just about exhausted as far as their supply of power was concerned, and that they would not be able to fulfill the needs of the city. In addition to that, if any secondary industries came in, we would be in a very bad position as far as hydro to those industries is concerned.

I was wondering, Mr. Chairman, what the situation is going to be, or what the policy is going to be, because those companies did approach Hydro, and the city of Cornwall approached Hydro, and they were told that it was their policy that they could not sell power to private companies. The only way in which Cornwall can increase their supply of power would be to set up a public utility commission. In that way they could secure power from Ontario Hydro.

Here are two companies with all the facilities to provide the power. It is a sad day, indeed, if those companies cannot purchase the additional power they need to provide those services to the city of Cornwall with which the citizens are satisfied, as was demonstrated by their vote Monday last to extend those companies' franchise for another 3 years.

If Ontario Hydro is able to grant a permit—and I do not know if a permit has been granted or not; I hope the hon. Minister will tell us—to export power to the power authority of the state of New York, then I think that Hydro should do likewise for the area in which this great development has taken place. Hydro has refused to do that; they say it has all to go into the grid.

The power authority of the state of New York set aside a block of power and we see industry coming into that area. It is building up that little hamlet of Massena into a city.

So I do think there is discrimination against the city of Cornwall and eastern Ontario—and we have heard the hon. Prime Minister say so often that this is the gateway into this great province—and I think that not enough attention has been paid to the people in that area that did so much—sacrificed so much—in order to make this project possible.

This is something I would like the hon. Minister to comment on.

There are other things in regard to Hydro, and to the situation in that particular part of the province which I represent, into which I will go a little later.

I wanted to make those few comments at this time and I will be interested to know how the hon. Minister feels on some of the points I have brought before him.

Mr. J. P. Spence (Kent East): Mr. Chairman, I am going to be brief. I would like to ask the hon. Minister a question. From time to time, in the rural areas, there are buildings being moved from one area to the other.

Of course, before these buildings can be moved, the district Hydro office has to be contacted, together with the local Hydro office, and the Bell Telephone Company.

It has been brought to my attention that the occupiers of the buildings were told that there were charges made for looking after the wires and the moving of the building. So, when the building is moved, they receive notice of the charges, and it has been indicated to me that the charges which have been made by the Ontario Hydro office to the individual or to the owner are 3 times as great as those of the Bell Telephone Company.

I would like to know if the schedule of charges is arranged here in the head office at Toronto, or whether the local Hydro office sets out the charge?

It has also been brought to my attention

that Ontario Hydro is owned by the people, and yet they charge us 3 times as much as the other company, the Bell Telephone Company.

I would like the hon. Minister to look into this and see if he could give me an answer.

Hon. Mr. Macaulay: Could my hon. friend tell me? I had some correspondence with an hon. member of this House on this very subject and discussed with him why the costs were different from the Bell Telephone. But my correspondence was not with the hon. member, is that correct?

Mr. Spence: No, it was not with me; but it was in my area.

Hon. Mr. Macaulay: No, but did I not have any correspondence with the hon. member directly on this point?

Mr. Spence: The hon. Minister may have sent a letter in this regard, but it was not to me—yes, I believe it was through me that the letter was written.

Hon. Mr. Macaulay: Well, it was a 3- or 4-page letter to explain why there is no comparison between the lifting of Hydro wires and telephone wires. In fact, the letter pointed out just the number of angle wires, the number of anchors, and the number of brackets and so on, that had to be raised, and pointed out the hourly rate that it was calculated on and so forth.

But this may not have been the letter that went to the hon. member. I will look it up.

In any event, would it be possible for the hon. member to tell me in relation to which building this is? We have requests to—

Mr. Spence: In the Highgate area.

Hon. Mr. Macaulay: Pardon me?

Mr. Spence: It is in the Highgate area, in the township of Oxford, the county of Kent.

Hon. Mr. Macaulay: Can the hon. member tell me what building it was that was desired to be moved and down what highway?

Mr. Spence: Well, I cannot tell the hon. Minister the road offhand, but I can give him—

Hon. Mr. Macaulay: Would the hon. member be kind enough to send it to me?

Mr. Spence: Yes, I will.

Hon. Mr. Macaulay: Thank you.

Mr. Spence: I would like to know if these charges are uniform over the province?

Hon. Mr. Macaulay: Yes, they are. But I will get the details for my hon. friend, and if it was him with whom I had correspondence I will get out the file. If it was not, I will get the information for him.

Mr. J. Chapple (Fort William): Mr. Chairman, like everyone else apparently who has been on his feet this afternoon, I have a little bit of criticism to make towards the policies which Hydro is following. Before I enlarge on this I would like to go through some material which will, I think, more or less prove my point.

At the beginning of the last session I came down to see Mr. James Duncan, chairman of Hydro, and had a talk to him about the situation we faced up in the northern part of my riding around the village of Upsala where they need hydro very badly. Also there is a 100-mile stretch there which I think should have access to hydro because it is a section of the trans-Canada highway. This is very important.

Now, I was told by Mr. Duncan, of course, in the first instance that I had a good case. But after he thought it over and wrote me a 3-page letter, I found out that my case was not so good because if power is to be secured by any area, the people in that area must use enough power so that the capital cost is returned over a reasonable period. I understand that it is all based on the idea of making the thing pay.

Another instance: Mr. Lloyd Campbell, who works in an area east of Shebandowan, where he has a gas station, approached me claiming that there are 200 people in the area who are very anxious to get hydro. The same problem came up. Because of the fact that there were not sufficient users he was denied the access to power lines which were actually very close to where his buildings are located.

Now, in the third instance, I have here a letter which I would like to read:

November 26, 1960

DEAR MR. CHAPPLE:

I am enclosing herewith a petition for hydro signed by property owners and renters from Kashabowie. This list is not complete as to tenants and property owners but it is a start. We are all very anxious to have hydro, and I believe you will appreciate the fact that most anyone does need hydro.

Our community has increased in the past year due to the Coldstream copper mine. With this increase there comes a sanitary problem. If we had hydro here much of this could be eliminated.

Mr. Jaipolos, the bearer, has been selected by us to appeal to you and to ask that you, as our member of Parliament for the district of Thunder Bay, help us to live better electrically.

I believe the hon. Minister has heard that term before.

If there is anything else which must be done in order for you to go ahead on this project, you may contact the writer of this letter by phoning Burchell Lake 918 or by post, Kashabowie post office, Ontario.

We are all counting on you, please help us.

Yours truly,

(signed)

(Mrs.) EMILY MANDELL.

Now here is the covering letter which I received:

MR. JOHN CHAPPLE, MPP
PAIPOONE, ONTARIO.

DEAR SIR:

It is most unfortunate that I do not have the opportunity to meet you in person as per the personal letter enclosed. However, as the matter is somewhat of a pressing nature, I am taking the liberty of approaching you in this manner.

Mrs. Mandell's letter sets out our position so that there is not a great deal that I can add to it, other than to say that Hydro has been approached on the subject matter, but they have expressed the view that the distance from their nearest feeder line is too great, and the project for that reason is not sound economically speaking.

This may well be so, but possibly the matter is worthy of further study when the welfare of the local citizenry is considered.

In view of the request that is being made, you may be sure that anything you may be able to accomplish in the matter will certainly be appreciated.

(signed)

SOLOMON JAIPOLOS.

Hon. L. M. Frost (Prime Minister): May I say to my hon. friend, Mr. Chairman, that I am sure this matter will be answered by the hon. Minister shortly.

I would like to adjourn this discussion at this time, sir, and accordingly, if my hon. friend has further comments to make we will adjourn the debate.

Mr. Chapple moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the adjournment I

would like to revert to orders of the day so that the hon. Attorney-General (Mr. Roberts) could refer to the question asked by one of the hon. members.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, with your permission, when the hon. member for York South (Mr. MacDonald) asked a question this morning I said that I did not have the complete answer, and I gave a partial answer and undertook that I would follow it further.

Now I have received additional information through inquiries through Ontario provincial police sources.

I am advised that the particular strike that was referred to has been in progress since October 24, 1960, and about 100 employees are involved—or rather there are 100 employees of which about 80 are on strike.

On Tuesday, December 6, so I am informed here, the company hired one man of Barnes Investigation Bureau Limited, and he took an employee into the plant in his Barnes automobile and remained in the plant the remainder of the day. The Barnes agency was not used, so I am instructed, prior to December 6, and has not been used since that date.

The head office of the Barnes agency in Montreal has today advised its Toronto office that its men are not to be used in connection with it.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, I again point out that on Monday there will be a night session and we deal with the resolution standing in the name of the hon. member for York-Scarborough (Mr. Sutton). If there is any further time on Monday we probably will use that in connection with the Throne debate.

On Tuesday we shall deal with the estimates of The Department of Economics and also the Throne debate, plus items which are on the order paper, such as private bills. I think perhaps we will try to fit in one of the private members' bills or resolutions at that time.

Regarding the other estimates, if at all possible, we will deal with the estimates of The Department of Mines on Thursday. One of the purposes is this: Mr. Rickaby, the Deputy Minister, who is a very valued employee of the government, retires and it might be nice to deal with the estimates while he is still here.

Now that might not be possible, but if there are changes I will let hon. members

know. The objective is however, that we would deal with the estimates of The Department of Mines on Thursday, as things stand at the moment.

Mr. V. M. Singer (York Centre): Mr. Speaker, would the hon. Prime Minister advise us whether or not it is his intention to finish the estimates of The Department of Energy Resources before starting on some other department?

Hon. Mr. Frost: Well, the difficulty is this. The estimates of The Department of Energy Resources, as such, are actually passed. What we are dealing with is an item which is more or less informally related to Hydro.

The hon. Minister of Energy Resources (Mr. Macaulay) is going to be away for several days next week and I do not know if it is going to be practical to call that again. If it is, it would be certainly towards the end of the week.

It may be that this will have to stand over to the renewed session in January. Although I will do my best, I think he would agree that it would not be reasonable to go ahead without the hon. Minister being here.

Mr. Singer: Mr. Speaker, I wonder if the hon. Prime Minister would care to tell us the date that we might expect to come back in January.

Hon. Mr. Frost: Well, I have given this some consideration, sir, and I think the best would be to adjourn the sittings at the call of the Speaker. Now, as a matter of fact there is nothing to be gained in bringing the hon. members here a week early or a week late. This matter will clarify itself over the New Year period, and we can give the hon. members sufficient notice, probably 10 days' notice, of the reconvening of the session.

On Friday, a week from today, we might adjourn to say January 17 or January 24—actually speaking it is only guesswork as to whether that is a date which is going to fit in with the work of the House. Much depends upon what date the budget can be brought down.

For that reason, I think it would be best to adjourn to a date at the call of the Speaker which then would allow the date to be fixed by order-in-council in plenty of time.

Mr. T. D. Thomas (Oshawa): May I ask a question? Is it hoped that the speech from the Throne debate will be concluded before the adjournment?

Hon. Mr. Frost: I do not think so. No. I do not think we should rush that. It gives the opportunity for hon. members to speak, and I do not want to reduce the orders on the order papers which would give them a full opportunity of speaking. I think, therefore, even if we were through it might be better to carry the item over on the order paper to the beginning of the renewed session.

But I would say this to my hon. friend. I think we should dispose of it this year before the budget address.

Mr. F. R. Oliver (Grey South): Will the hon. Prime Minister say that the House is not likely to come back before a certain date? That would help some of us to make some future plans.

Hon. Mr. Frost: I will tell the hon. members about that next week. I will have to think that one over.

Mr. Thomas: The House will adjourn on the Friday and then the announcement of

the opening will be made in the fullness of time?

Hon. Mr. Frost: Well, I would say, in the ordinary course, that if the House adjourned on Friday we should, by the beginning of the year, be able to send out the notices under the name of the Speaker for the reconvening of the session. However, I will try to accommodate the House and not leave it up in the air, but I think hon. members will agree that if we say we will meet on January 24, for instance, it might be a week later than we might be able to meet. As a matter of fact it might be a week too early, and there is not any use in inconveniencing the hon. members that way.

I move the adjournment of the House.

Motion agreed to.

The House adjourned at 1 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, December 12, 1960

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, DECEMBER 12, 1960

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as guests, members of the Nelson high school student parliament.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden, from the standing committee on standing orders, presents the committee's second report and moves its adoption.

Your committee has carefully examined the following petitions, and finds the notices, as published in each case, sufficient:

Of the corporation of the city of Niagara Falls and the township of Stamford, praying that an Act may pass authorizing the establishment of the Greater Niagara transit commission.

Of the corporation of the city of Peterborough, praying that an Act may pass enlarging the Peterborough public utilities commission and providing for its election and term of office.

Of the corporation of the city of London, praying that an Act may pass authorizing by-laws to regulate laundromats and so on; and for other purposes.

Of the corporation of the township of Calvert, praying that an Act may pass authorizing a debenture issue for school construction.

For the establishment of the Reuben Edwin Cleghorn foundation.

Of the public utilities commission of the corporation of the city of Sault Ste. Marie, praying that an Act may pass authorizing a new pension plan for its employees.

Of the Sault Ste. Marie board of education, praying that an Act may pass authorizing a new pension plan for its employees.

Of the Young Men's Christian Association of Sault Ste. Marie and Steelton, praying that an Act may pass changing its name to The Young Men's Christian Association of Sault Ste. Marie, exempting certain of its lands from taxation other than for local improvements; and for other purposes.

Of the corporation of the city of Ottawa, praying that an Act may pass establishing an active treatment hospital, or convalescent hospital, or both in the city of Ottawa; and for related purposes.

Of the corporation of the city of Toronto, praying that an Act may pass providing for instalment collection of taxes, validating a grant to the tunnel tragedy fund; and for other purposes.

Of the corporation of the county of Ontario, praying that an Act may pass confirming by-law 2057 of the corporation for the purpose of assisting local municipalities in the county in granting aid to public hospitals.

Of the corporation of the Capuchin Fathers of Ottawa, praying that an Act may pass reincorporating it as The Capuchin Fathers of Ontario and defining its powers.

Of the incorporated synod of the diocese of Algoma (Anglican), praying that an Act may pass incorporating Thorneloe university, having power to federate with another or other universities, either church-related or non-denominational.

Of the corporation of the city of Peterborough, praying that an Act may pass permitting the corporation to order the removal or demolition of premises closed by order of the medical officer of health, under section 97 of The Public Health Act, when circumstances warrant such action.

Of the corporation of the city of Hamilton, praying that an Act may pass authorizing the regulation of the manufacture, transport and storage of dangerous gases, liquids and substances; and for other purposes.

Of the corporation of the town of Cochrane, praying that an Act may pass authorizing a debenture issue for high school construction.

Of the corporation of the township of St. Joseph, praying that an Act may pass authorizing a debenture issue for high school construction.

Of the corporation of the city of Chatham, praying that an Act may pass ratifying an agreement with J. I. DeNure, Chatham, Limited, for a bus franchise.

Your committee recommends that the petition of the corporation of the city of Chatham, praying that an Act may pass ratifying an agreement with J. I. DeNure, Chatham, Limited, for the granting of a bus franchise, be received notwithstanding the provisions of rule 63 of the assembly.

Your committee further recommends that as the petition of the corporation of the city of Sarnia is withdrawn, the fees less the cost of printing be remitted.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

CITY OF HAMILTON

In the absence of Mr. R. C. Edwards, Mr. J. Gould moves first reading of bill intituled, "An Act respecting the city of Hamilton."

Motion agreed to; first reading of the bill.

CAPUCHIN FATHERS OF OTTAWA

In the absence of Mr. J. Morin, Mr. I. Haskett moves first reading of bill intituled, "An Act respecting the Capuchin Fathers of Ottawa."

Motion agreed to; first reading of the bill.

TOWNSHIP OF CALVERT

In the absence of Mr. R. Brunelle, Mr. G. E. Gomme moves first reading of bill intituled, "An Act respecting the township of Calvert."

Motion agreed to; first reading of the bill.

TOWN OF COCHRANE

In the absence of Mr. Brunelle, Mr. Gomme moves first reading of bill intituled, "An Act respecting the town of Cochrane."

Motion agreed to; first reading of the bill.

COUNTY OF ONTARIO

Mr. T. D. Thomas moves first reading of bill intituled, "An Act respecting the county of Ontario."

Motion agreed to; first reading of the bill.

CITY OF LONDON

In the absence of Mr. J. H. White, Mr. J. R. Simonett moves first reading of bill intituled, "An Act respecting the city of London."

Motion agreed to; first reading of the bill.

CITY OF PETERBOROUGH

Mr. K. Brown moves first reading of bill intituled, "An Act respecting the city of Peterborough."

Motion agreed to; first reading of the bill.

CITY OF OTTAWA

Mr. D. H. Morrow moves first reading of bill intituled, "An Act respecting the city of Ottawa."

Motion agreed to; first reading of the bill.

CITY OF PETERBOROUGH, No. 2

Mr. Brown moves first reading of bill intituled, "An Act respecting the city of Peterborough, No. 2."

Motion agreed to; first reading of the bill.

CITY OF NIAGARA FALLS AND TOWNSHIP OF STAMFORD

Mr. G. Bukator moves first reading of bill intituled, "An Act respecting the city of Niagara Falls and the township of Stamford."

Motion agreed to; first reading of the bill.

THORNELOE UNIVERSITY

In the absence of Mr. C. H. Lyons, Mr. R. E. Sutton moves first reading of bill intituled, "An Act to incorporate Thorneloe university."

Motion agreed to; first reading of the bill.

YOUNG MEN'S CHRISTIAN ASSOCIATION, SAULT STE. MARIE

In the absence of Mr. Lyons, Mr. Sutton moves first reading of bill intituled, "An Act respecting the Young Men's Christian Association of Sault Ste. Marie."

Motion agreed to; first reading of the bill.

SAULT STE. MARIE BOARD OF EDUCATION

In the absence of Mr. Lyons, Mr. Sutton moves first reading of bill intituled, "An Act respecting the Sault Ste. Marie board of education."

Motion agreed to; first reading of the bill.

PUBLIC UTILITIES COMMISSION, SAULT STE. MARIE

In the absence of Mr. Lyons, Mr. Sutton moves first reading of bill intituled, "An Act respecting the public utilities commission of the city of Sault Ste. Marie."

Motion agreed to; first reading of the bill.

CITY OF CHATHAM

Mr. G. W. Parry moves first reading of bill intituled, "An Act respecting the city of Chatham."

Motion agreed to; first reading of the bill.

CITY OF TORONTO

Mr. A. H. Cowling moves first reading of bill intituled, "An Act respecting the city of Toronto."

Motion agreed to; first reading of the bill.

TOWNSHIP OF ST. JOSEPH

In the absence of Mr. J. A. Fullerton, Mr. Cowling moves first reading of bill intituled, "An Act respecting the township of St. Joseph."

Motion agreed to; first reading of the bill.

REUBEN EDWIN CLEGHORN FOUNDATION

Mr. J. J. Wintermeyer moves first reading of bill intituled, "An Act respecting the Reuben Edwin Cleghorn foundation."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I made an error there. There are 5 private bills which might be advanced. There would be no debate on them and they could go to committee. This would help us to keep the order paper under control.

Might I reverse that and suggest we deal with those 5 private bills?

MONTREAL TRUST COMPANY

Mr. A. F. Lawrence moves second reading of Bill No. Pr6, "An Act respecting Montreal Trust Company."

Motion agreed to; second reading of the bill.

ENO-SCOTT AND BOWNE (BRAZIL) LIMITED

Mr. Cowling moves second reading of bill No. Pr11, "An Act respecting Eno-Scott and Bowne (Brazil) Limited."

Motion agreed to; second reading of the bill.

PICKERING COLLEGE

In the absence of Mr. A. A. Mackenzie, Mr. Cowling moves second reading of Bill No. Pr23, "An Act respecting Pickering College."

Motion agreed to; second reading of the bill.

THE ROYAL OTTAWA SANATORIUM

Mr. Haskett moves second reading of Bill No. Pr24, "An Act respecting the Royal Ottawa sanatorium."

Motion agreed to; second reading of the bill.

SYNOD OF TORONTO AND KINGSTON GLEN MHOR CAMP

In the absence of Mr. L. Letherby, Mr. Cowling moves second reading of Bill No. Pr32, "An Act respecting the synod of Toronto and Kingston Glen Mhor camp."

Motion agreed to; second reading of the bill.

Mr. Speaker: Orders of the day.

ON RESOLUTION RE UNEMPLOYMENT (Continued)

Mr. A. Wren (Kenora): Mr. Speaker, when I adjourned the debate last week on the eleventh order, the hon. Prime Minister (Mr. Frost) and I were in some disagreement as to what should be said. I think we had a good rest over the weekend, so that probably we can get along with this motion today and complete my submission, particularly as it affects northern and northwestern Ontario.

The substance of the motion, Mr. Speaker, and the relevant clause, begins:

THAT in view of mounting world competition and its effects on industry, particularly secondary industry, with its incidence of unemployment,

BE IT RESOLVED THAT, while trade and commerce are within the competence of the federal Parliament, every effort be made in every sector of the provincial economy to co-operate with federal departments,

—and so on. I was attempting, prior to the adjournment of the debate last week, Mr. Speaker, to demonstrate how co-operation with some of the federal departments was very difficult at this time under the political philosophies and attitudes prevalent at Ottawa today. This weekend, during the interim between the adjournment of the debate and today, some events happened which are of serious consequence to the economy, and consequently to employment, in northern Ontario.

Mr. Speaker, the people of northern and northwestern Ontario are visibly disturbed, after weekend pronouncements by the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) and others.

Speaking at Fredericton, he said, and I quote from a Canadian Press dispatch:

The current imbalance of trade with the United States could not go on, and there was a very great need for increased export to the United States. The United States should realize that an increase in purchase of Canadian goods is necessary.

Now that is what the Rt. hon. Prime Minister said.

But, then, in the very next breath, other hon. members of the Canadian government state categorically that Canada is eager to boost trade with Cuba in the face of United States economic reprisals against that country.

It is all very well to state, Mr. Speaker, that trade is a federal matter; but, when Ottawa pronouncements affect Canada, they affect Ontario to a very great degree because we are the nation's leading industrial province. Northern Ontario is particularly anxious when her gold, iron ore, nickel, pulp and paper, and other resources products are sold almost entirely in the United States.

If it should become necessary that the United States attempt any economic reprisals against Canada—and what, today, is not military material?—northern Ontario would feel the first catastrophic impact of any action of that kind.

Naturally, two people living side by side will have disagreements—it happens in the best regulated families—but when a friend is in peril, or believes himself to be in peril, from a dangerous force without, it is time, then, to act as a friend.

If the Rt. hon. Prime Minister of Canada wants more ghost towns like Sudbury, the Lakehead, Atikokan, Fort Frances, Kenora, Red Lake and others, then let his government continue to boast that he will trade with real or imagined enemies of our friend.

Even as a Congressional committee in the United States, long before this Cuban thing boiled out, was studying the possibility of imposing tariffs on our iron ore—which, as my hon. friend from Port Arthur (Mr. Wardrope) will agree, is a future lifeblood of our northern economy—we have a government at Ottawa not even content to be quiet about these things.

I suggest, Mr. Speaker, that it would be a real price to pay for a few millions in trade with Cuba if, in doing it, we lose a friend. I suggest also that, if the government of Canada wants to kill northern Ontario's economy, I can think of no better way of doing it.

In this debate, Mr. Speaker, I suggest that there are 3 essential economic problems—aside from those of the national political character—which face us.

First of all, it seems to me that areas with more than two per cent of unemployment over the national average should be declared distress areas, and special measures employed in the economy of those areas.

Secondly, we must determine whether this is a temporary recession or a general recession.

And, thirdly, we must establish what we believe to be a desirable economic growth factor for the province and for Canada, and then work on the possibility of its attainment.

In respect of my first submission, there are areas in northern Ontario where we have distress situations both declared and undeclared. I would submit that Elliot Lake and the Lakehead area are two prime examples, where a simple upturn of business or a crash programme of public works would achieve no permanent solution.

Rather early in 1960, unemployment at the Lakehead reached the unprecedented level of 20 per cent of the work force, according to a survey prepared by the mayor-elect and council of the city of Fort William, and supported by statistics from the unemployment insurance commission.

So far, the seaway has had no appreciable effect on the Lakehead business index, and

the absence of a completed trans-Canada highway to the Manitoba border has focused transfer of western goods to Duluth, on to the western tip of Lake Superior and to the western States and western Canada. Our combined lake and highway policy has been both too little and too late.

I recall, at a meeting in Fort William many months ago, the hon. former Minister of Transport (Mr. Yaremko) assuring the people there that a reciprocal truck licensing agreement with the west was in the immediate offing, and that as quickly as he could get back in an aeroplane from the west he would land and tell the people the results.

I suspect, Mr. Speaker, that the airport at Fort William must have been fogbound ever since, because they are still awaiting the news of these reciprocal truck licensing agreements.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, it takes two parties to make an agreement; and there is an agreement that has to be signed by the western provinces and Manitoba, as well as Ontario. That is being proceeded with at the present time.

Mr. Wren: I appreciate the hon. Minister's remarks.

Hon. L. M. Frost (Prime Minister): We are very agreeable people.

Mr. Wren: But the hon. Minister, I repeat, assured that the agreements were immediately forthcoming.

A public works project, for example, at the Lakehead, of the magnitude of the one now being carried on in my hon. friend's riding for the new mental hospital, employs but 225 people. The proposed teachers' college will employ a few more but the point I am making is that it is no significant portion of the total unemployed.

The shipbuilding industry, once a great industry, carries on with a fraction of the employment of former years. The general business picture is down, and merchants are complaining and consequently retrenching in hiring and expansion.

The pulp and paper industry faces a somewhat better prospect, though that industry is not operating to capacity and is faced, in its wood operations, with the dire possibility of economic weapons being brought to play in its labour relations. If a strike should occur in our woodlands it would spell serious problems for a host of communities, even though present inven-

tories could keep some of the mills operating for several weeks.

Thus, Mr. Speaker, I am compelled to submit that this area, and others in northern Ontario, be declared areas requiring special attention; and that appropriate action be taken to provide employment immediately for the unskilled and semi-skilled trades and then plans made for stabilization of the economic future of the area.

It goes without saying that this condition is not a temporary matter, and not one to be treated lightly, nor to be treated with expansive oratory. It is a problem which has to be met head-on, by examination of present policy and determination of future policy, to produce jobs and excite business.

To charge anyone with gloom and doom is not an answer at all. The answer to "jobs now and stability in the future" rest with a number of fundamental needs which I shall set forth this afternoon.

For example, two years ago, the Ontario-Minnesota Pulp and Paper Company, among others, appealed to the 4 hon. members of this House from northwestern Ontario to resist tax increases—applicable to the industry—which would have the effect, not necessarily then but very soon now, of crippling the several pulp and paper companies' contributions to labour relations, to charity and to worthy public projects.

The appeal of the industry was ignored, Mr. Speaker, and I, the member for Kenora, was the only member from northern Ontario—from the Quebec border to the Manitoba border—to vote against this regressive taxation. The vote is recorded in *Hansard*.

The madness of those increases becomes apparent today, and therefore, Mr. Speaker, even at this late date, I recommend that corporation tax on these industries be reduced to the level of competing industry in Canada.

Secondly, I submit that the logging tax be repealed; thirdly, that the ridiculously high tax on diesel fuel and the tax on aircraft gasoline be removed at once.

Fourthly, I submit that unrealistic trucking regulations imposed by The Department of Transport of Ontario should be removed to permit of the most economic means of transport of the raw material to the mill.

I make these proposals, not in a spirit of carping criticism, but to maintain the job picture in the bush today; and to enable management and labour to bargain collectively for and resolve a reasonable wage picture for employees in the woods, and in the mills, wherever applicable.

I make these proposals to enable our major industry to keep itself competitive in the pulp and paper markets, and to enable it to prepare to fill any increased demands for the product of the mills.

I make these proposals, too, to offer encouragement for new capital to erect new mills in northwestern Ontario; for it is a well-known and well-defined opinion in the newsprint world today that Ontario, under present taxing conditions, present cost of wood, present cost of hydro, would be the last jurisdiction under which new major capital works would be undertaken in the field of pulp and paper.

And I can cite, Mr. Speaker, the example of the industry which has been potentially possible in my own home area of Sioux Lookout for these many years.

They have, as this House well knows, an option on large tracts of land. This terminates, or comes up for renewal, as the case may be, in 1962. Due to a number of factors, among which are the regressive tax policies in the industry today, the company concerned and its affiliates are no nearer to commencing construction of the mill than they were 2 or 3 years ago.

These same general conditions apply to the lumber industry, or the secondary industry, if you want to call it that, in the forests. We have already lost industry and lost jobs through unrealistic tax measures, and unrealistic allocation of raw materials. And it is not beyond expectation that other industries will soon go down the drain unless we move now to maintain, and then increase, both production and employment.

I can cite some examples where, this year, we were fortunate in acquiring new industry in the village of Hudson where I live; where, in that community, a company was able to establish itself. But, in establishing this very welcome industry there, it did not create new jobs nor create new employment, for it took the place of an industry, with like payrolls, that had existed there for many years.

At the same time, due to the non-allocation of timber and other factors, another industry of similar size has since closed down.

The town of Sioux Lookout this year saw the closing of an industry, using raw materials of the forest, which had been in operation there for many years. It had to cease its operations due to the fact that its raw forest material was coming, in the main, from the province of Alberta, instead of from the province of Ontario at its own back door.

Now these policies and attitudes, Mr. Speaker, will have to be resolved, and they will have to be changed.

Another industry—and I will repeat what I said last year about this industry—is the one at the Lakehead known as the Northern Wood Preservers Limited. From the chamber of commerce, and from company officials, I understand they employ an average of something like 250 men the year round.

Now any community in Ontario, or elsewhere in Canada, would be turning hand-springs to get an industry of that size to come into its community or go into its province. And yet this industry, despite repeated promises, cannot secure, even today, more than one year's guarantee of supply of raw materials.

With the difficulties under which an industry like this is operating, it must, of necessity, plan its production, its financing and its marketing—especially in that kind of business—one or two years ahead of time. And I repeat: in spite of repeated promises, there is still, as far as I know, up until a few days ago, no agreement which would give them a long-term, or at least a reasonably long-term, supply of raw material.

Now, industry—

Hon. W. M. Nickle (Minister of Planning and Development): Who made these promises mentioned by the hon. member?

Mr. Wren: Well, the hon. Prime Minister of Ontario, for one, Mr. Speaker. I recall him very well, in a meeting with chamber of commerce groups, and so on—which meet regularly each year here—saying to Mr. Prettie, who is president of the company: “Now, we are going to fix that up, and we are going to see you get a long-term supply of raw material.”

I do not think he could get a promise from a better source.

Hon. Mr. Nickle: We all agree on that.

Mr. Wren: Yes. But he is still waiting for it.

Now, industry, Mr. Speaker, across the north, has been assessed additional Hydro costs. Hydro has failed to fully utilize a reserve fund for that purpose.

These matters the hon. Minister of Energy Resources (Mr. Macaulay) is going to discuss later on in the session. But, in this part of my address, I want to say that few stones have been left unturned to discourage, rather than encourage, industry and employment. I will give you one very simple illustration, Mr. Speaker, which has dismayed a lot of people.

Just east of Sioux Lookout is the Sturgeon river. For years, repeated attempts have been made to have a bridge built across this river.

In recent months, the Great Lakes Paper Company, one of the pulp and paper companies operating out of the Lakehead, was considering the employment of quite a sizeable number of people across the river and in timber areas of which they have control, east of the river.

The repeated assertion was that there was no money available to build that bridge, although the same Great Lakes Paper Company had offered to build it for \$31,000, and guarantee construction of it.

Now, the access roads committee, I am pleased to say, has agreed to include the building of that bridge in 1961 estimates, at an estimated cost of \$115,000.

However, the point I am making is this, Mr. Speaker: Had that bridge been built this summer, or this fall, at the present time 150 to 200 men would be gainfully employed in that area and be self-sustaining.

While the plea was in some quarters that money was hard to come by, I suggest, Mr. Speaker, that the monies involved in producing a famous publication known as *The Road* by The Department of Highways would have served a much better purpose in building that bridge and putting people to work.

I want to turn to the mining industry for a moment. Here again is an opportunity to create jobs through realism.

North of Kenora, we need an access road and a hydro line which will produce upwards of 200 new jobs, plus the additional new jobs servicing communities of that size.

This is just one example where men are now being paid \$30 a week in either unemployment insurance or welfare, at a cost of \$312,000 a year—which is actually about the estimated cost of a hydro line into the area—which the mining companies pay for in any event over agreement years. Yet we have stalled, since about 1957, and nearly \$1 million has gone down the drain in payrolls, waiting for moves on these projects.

Now what is going on? Do hon. members realize, Mr. Speaker, that in one year, a payroll of that kind, for 200 men, would produce in income tax alone—based on an average of \$80-a-week earnings—some \$167,000?

Are we to continue to allow unrealistic estimates of Hydro and others to hold up jobs and hold up tax revenues indefinitely?

In the gold mining industry, they still work

on a fixed price of product. I suggest that here again we can make some further tax concessions and spur new development.

And, in view of the impossibility—and I want to emphasize this, Mr. Speaker—in view of the impossibility of men who work in these areas being allowed government mortgages for homes and house building, television facilities, radio facilities and the like, which are the common lot of fellow Canadians elsewhere in Ontario and in Canada, a reduction or a special allowance in personal income tax should be made for them.

In regard to television, I was happy to receive a telegram last night announcing that the board of broadcast governors at Ottawa had approved an application to transmit television programming from the American air force base at Sioux Lookout until such time as the Canadian broadcasting corporation sees its way clear to erect facilities in that area.

This is the first time that television will be available at all—it will be good television—in those northern areas. Areas like Red Lake and I believe even Atikokan and other sections either have no television at all or find it too expensive and impractical to use.

In the matter of mortgages, I do not know when we are going to work out a sensible policy on northern houses. I have talked about it, I have written about it, I have argued about it, discussed it in every way, shape and form with everyone who knows anything about it. I certainly cannot get anywhere and no one else in the field seems to be able to get anywhere, either.

There seems to be an insistence—an absolute insistence—on the part of town planners and community planners—call them what you like—that a man must have a house that is worth twice as much as he can possibly afford, or he cannot have any housing at all.

We have situations in communities in the north where men can build, and have built and do now own, houses costing \$2,500 to \$3,000. The money is available and the interest is available. The people are needful of the accommodation and cannot get government approval to undertake the building of these houses or even the occupying of those that are built.

I suggest, Mr. Speaker, that low-cost housing of the type I am talking about is long overdue in these sectors.

In the next submission, Mr. Speaker, I would say that it is a rather general opinion that we are not in for a temporary recession in this country and that we should plan accordingly.

The latest figures in the United States indicate that unemployment there is approaching the 6.4 per cent figure, but they have one advantage we do not have. They have a Liberal-minded president-elect coming to office very soon and he is going to be followed, of course, by a Liberal Prime Minister in Canada. I confidently believe that Kennedy and Pearson together will do as Roosevelt and King did, put this whole continent back on the rails.

In the meantime, Mr. Speaker, we have to live. We cannot wait until that day which everyone is so patiently waiting for in Canada, until a general election is called. It might not come for some time. I cannot see how we can, as this resolution suggests, co-operate with Ottawa, for they have already "welshed" on one major promise, as this House so well knows—the famous \$100 million plus the interest and inflation attached to it.

The studied economic development of northern and northwestern Ontario can be fostered and sustained, not only for its present population, but for thousands more, but it cannot be done by continual promises. It can be done only with action of the kind that will produce jobs. I suggest—in fact, I submit—that only industrial expansion can produce the sustaining kind of employment that is necessary; industrial expansion brought about by the tax climate I have suggested. If we do not produce it, all else will fail.

We are faced here, I suggest, with the difficulties which emerged from the highways investigation. In this case we have not pre-engineered our economics. We have seized on prosperous times to take all the traffic would bear and now we are reaping the harvest, a harvest of misery and apprehension.

One industry in my riding, the Dryden Paper Company, has been in the red for the past few years due to expansion and other activities which have taken place. It faces the keenest competition and with it new demands for wage increases occasioned by increased living costs and other economic forces. Yet we continue to impose these confiscatory taxes which take away the breathing space needed now for the whole of the industry.

Now we come in with panic legislation and panic attitudes. In short, we organize the fire department after the fire has started. I ask you, Mr. Speaker, where is The Department of Economics? I suspect they did not advise, in the first instance, about all these tax increases and impediments, but, of course, we on this side will not know for a year or two.

In support of what I have told the House and before I set up what we believe to be some of the solutions to these problems, I want to point out some support to my thinking—and responsible support it is indeed.

First of all I find the *Financial Post* using that word the Tories dislike so much, the word "gloom," because in its issue of December 10, on the front page its headline on one item is: "See gloom in '61 for iron ore." It goes on to say:

Canada's iron ore shipments have slumped badly in the last two shipping months as order cancellations from United States steel mills started hitting our producers.

Major producers like Iron Ore Company of Canada, Steep Rock Iron Mines, Algoma Ore Properties, have all been hit by the cutback in United States buying. They now have to cut back their production schedules for the first half of 1961, since ore stock piles at steel mills, Great Lakes ports and mining properties are at the highest level in 5 years. The outlook for 1961 is far from bright.

An article in the Toronto *Daily Star* of December 9, says:

The dropping American steel production slashed into Iron Ore Company of Canada's sales this autumn and held 1960 shipments to 10 million tons.

This article goes on to relate how we might expect a slump in iron ore shipments during the ensuing year.

This, to my mind, Mr. Speaker, does not pervade this area of gloom and doom which so many people talk about, it just accentuates the necessity for us to plan for the future and plan well.

As I said earlier today, one of the economic sources of the lifeblood of northern Ontario is in the field of iron ore mining. The fact that we might have a poor year in 1961 does not suggest that we cannot get ready for 1962 and 1963 and the years following.

The Fort William *Times-Journal* on November 24, 1960 says editorially, and I want to register this for the very real information it contains:

Wealth pours from our area. A depressed stock market obviously has no influence on those in the production end of mining in Ontario. The Department of Mines has just announced that minerals brought from the ground in 1959 had a value of close to \$1 billion; \$980,591,159 to be exact. This was better by \$179 million than the previous high of 1958.

Its concluding paragraph says:

The worth of northern Ontario to the province as a whole is made exceedingly clear when it is realized that most of the \$1 billion came from properties in the area. Add to this mineral wealth the dollar value of timber operations in northern Ontario and the result justifies the request from this section of the province for more and more services from government.

Earlier in the year, a large number of important papers in northern Ontario had been commenting on the economics and the government apathy in regard to northern Ontario.

On May 26, 1960, the *Sudbury Star*, in a lengthy editorial, commenting on the death of the late Alex McKenzie, president of the Progressive-Conservative association, had some very significant comments indeed. It says:

In spite of the fact the party—the Conservative party—still holds a substantial majority in the Ontario Legislature, it has passed its peak of popularity. At the next general election, perhaps 3 years hence, we will see the Liberal party make its strongest bid for re-election for the government of Ontario. Shrewd political observers see the Liberals on the upswing and the Conservatives over the hill.

I would suggest, Mr. Speaker, that the *Sudbury Star* is not regarded by any stretch of the imagination as a Liberal journal.

Further, I would remind this House that there is not a single Tory federal hon. member in the House of Commons for northern Ontario, not one. After the Rt. hon. Prime Minister's famous speech on Friday last there never will be one.

I would say I do not think they are doing too well west of the Great Lakes either. I noticed the Progressive-Conservative leader in British Columbia resigned the other day after 4 attempts at trying to win a seat himself, let alone one for his party.

On July 25, 1960—and I do not want to take too long because I know the hon. Minister of Reform Institutions (Mr. Wardrope) wants to get home and wants to speak also today—but on July 25, 1960, the editorial in the same paper headed: "Government apathy to north may become politically fatal" is another one the administration might pay attention to.

But I want to turn now to some other authoritative documents, perhaps because they are financed in part at least by the government opposite. I want to refer first of

all to the annual report of the general manager of the northwestern Ontario development association at the Lakehead this summer. He had some rather significant observations to make. On page two of his report he says this:

Aggravated by drastically curtailed operations of two of the Lakehead's largest manufacturing plants, and by the tight-money squeeze on housing construction, unemployment posed a formidable problem in the opening months of 1960. Unplaced applicants for work in northwestern Ontario soared to 11,856 at the end of April. Although the situation improved greatly in recent weeks, one could hardly apply the terms "robust" or "buoyant" to the regional economy when thousands of our people still are seeking jobs.

After listing, on pages 3, 4, 5 and 6 of the report, some of the activities which had taken place in the area, and some of the matters that might be considered for the future, on page 7 the report goes on to say:

Despite this impressive list of projects and constructive events during the last 12-month period, there is a natural and understandable impatience on the part of our people over the speed or lack of it at which our region is being opened up. Federally, less attention seems to be devoted to our accessible sources in rich and strategically important central Canadian territory than to the remote regions of the Arctic north.

And, as a well-known retired political figure said in Sudbury the other night: "This vision of the north, I have lived in it all my life, this one they developed at Ottawa. When they take bulldozers and push up the snow, in the spring it melts and there is nothing left." That is the vision of Rt. hon. Mr. Diefenbaker.

This report goes on to say:

Ninety-three years after confederation, we still lack a first-class all-Canadian highway artery to western Canada. More than 90 per cent of truck transport traffic originating in eastern Canada and destined for western Canada uses the United States to do it. While the roads-to-resources programme is an enlightened and forward-looking project, there is little evidence to date that the joint federal-provincial undertaking is to be carried forward with vigour and resolution. Years after northwestern Ontario pressed for a connecting road link the Pickle-Crow-Savant Lake highway, 110 miles long, is still a double-end thoroughfare.

Years after Geraldton, supported by its northwestern neighbours, sought the connection, it is still without public highway access to Manitouwadge. And, in fact, the only north-south lateral road connecting our main arteries is the Fort Frances-Kenora highway which has generated millions of dollars in tourist revenue. Other highways penetrating the northern regions will do the same. The Fort Frances-Kenora highway, in fact, is the only road link Rainy River district has with the rest of northwestern Ontario.

The author of this document was a little bit in error there, because Atikokan is in the Rainy River district and it is connected with the Lakehead. But the point here is well made, in that the only direct connection with the rest of Ontario from the important communities of Fort Frances, Rainy River, and so on, is north through the Kenora area. I continue:

Hence, the paramount interest in this area is on the completion of the Atikokan-Fort Frances gap in highway No. 11. The latest official information concerning this project is contained in the recently issued transportation report of the northern Ontario economic development committee.

Now, I may say, Mr. Speaker, that since this was written, according to the Atikokan *Progress*, the hon. Minister of Highways (Mr. Cass) has advised the people of Atikokan that he will tell them in 1963 when they might expect completion of the construction of the 90-mile gap between Atikokan and Fort Frances.

The report goes on to mention the causeway at Fort Frances across to Rainy River. It says:

Either the Rainy River causeway portion of the road will be slowed or highway construction speeded if completion of the two projects is to be synchronized. Otherwise the \$5 million span across Rainy Lake will remain only a magnificent monument until the road is pushed through to its eastern approach.

Mr. W. G. Noden (Rainy River): I rise on a point of order. That project is proceeding with all speed and cannot proceed any faster than it is now being built.

Mr. Wren: The hon. member for Rainy River says it is being built with all speed! This report does not indicate that it was not

being built with all speed. It says, and I repeat:

The \$5 million span across Rainy Lake will remain only a magnificent monument until the road is pushed through to its eastern approach.

It goes on:

To the contention that stringency of public funds must make other highway projects secondary to reconstruction of the trans-Canada highway one can only point out that a top standard national highway from the Lakehead to western Canada is years overdue and economic growth of the northwest retarded thereby.

Now the report is quite lengthy and I do not intend to read it all today, but that is the general trend of thinking by this association. Following the meetings of the northern Ontario economic development committee, as recently as July 21, 1960, the northwestern Ontario associated chambers of commerce approached the hon. Minister of Planning and Development and others in government to do something to achieve action in economic matters in the area in which this association operates. They point out that the reports which were issued by this committee were not, in their opinion, satisfactory and recommended the following:

The committee be augmented by 3 leading citizens of northwestern Ontario appointed by government for their knowledge and their interest in the activity and growth of the region. That one of the 3 be appointed chairman or director with authority and travel funds to traverse the region.

They support this with a resolution pointing out where they feel the work of the economic committee failed in its purpose and in its objective.

On July 13, 1960, the then alderman Mr. Reid, now the mayor-elect of the city of Fort William—elected, if I may say, by a very substantial majority—issued a brief along with his committee concerning the serious unemployment situation in the Fort William-Port Arthur area and the whole of northwestern Ontario which was to be presented to the hon. federal Minister of Labour (Mr. Starr).

Now some of the points in this brief are very important and very significant. To illustrate the seriousness of the unemployment situation, he has this to say:

Now dealing with the Lakehead area, we are sorry to say that very many are now without employment and as a matter of fact have been out of work for long

periods of time with no immediate likelihood of getting back their jobs. Our area percentage of unemployment has reached more than 20 per cent of the labour force as against the national average of about 7 per cent.

To illustrate briefly the unemployment situation in the area, we point to the large number affected in the Fort Frances, Fort William, Kenora, Port Arthur, Sioux Lookout area. Between November 29, 1958, to December 1, 1959, there were 50,194 male and 12,438 female registrations for employment totalling 62,632.

There has been a general increase in the number of unemployed for more than 4 years now and the situation continues to deteriorate. Looking at the situation at present, we find that here in the two Lakehead cities there were 6,988 workers receiving unemployment benefits. This does not include those who have been cut off benefits previously and the additional large numbers whose benefits terminated on May 15, 1960. These men who were completely cut off from their means of income and subsistence must of necessity apply to the municipalities for relief.

This was written May 19, 1960.

I understand from the Ontario Department of Public Welfare that the welfare rolls at the Lakehead and the northwest area are now at one of the highest peaks in history. The report goes on:

At the rate they are becoming ineligible and disqualified for benefits the amount of welfare could reach a fantastic figure by the end of the year unless something is done and very soon. This presents an immediate and urgent problem.

There is certain to be a sharp cutback at the beginning of September of this year which will be true for the elevators, the railroads, the mines and the other primary industries at the Lakehead which are all affected by varying degrees by seasonable labour factors.

This prediction has pretty well borne itself out. Alderman Reid goes on to point out that when a peak of 20 per cent is reached it touches almost every family in the district, and at that time many university students depending on summer employment to carry on their studies had been unable to find work, and the same story is applicable, the report goes on, to most other communities throughout this northwestern part of Ontario.

This is a rather depressing report but it is factually issued, and I have checked the

figures used against the reports of the unemployment insurance commission, and it points up again, not that bringing these matters to public attention is the spreading of doom and gloom but that this—

Hon. G. C. Wardrope (Minister of Reform Institutions): Did the unemployment insurance commission confirm those figures?

Mr. Wren: Yes, they did.

Hon. Mr. Wardrope: I just wanted to know that.

Mr. Wren: I am pointing up here that the need is not to worry about doom and gloom but to take a realistic look at what the needs are, what the problems of the day are and move forward into the future. For that reason I want to set out, Mr. Speaker—and I think it is only fair I should now that I have been somewhat critical of the hon. members opposite—what we believe should be done in these regions to stimulate economic growth and provide employment. I will set out here a 20-point programme for northern Ontario economic development for your consideration:

(1) Complete without further delay a standard trans-Canada highway across northern and northwestern Ontario to the Manitoba border, supported by necessary arterial highways in areas such as Sudbury, Manitowadge, the Atikokan-Fort Frances link and others of similar nature.

(2) Activate and expand the roads-to-resources programme of access road building.

(3) Co-ordinate government activity affecting northern Ontario by the appointment of a 3-man economic committee, men with a background of knowledge and living in northern Ontario.

(4) Adjust corporation taxes so that resources industry shall not pay more than competitors in other jurisdictions, as is now the case in pulp and paper for example. Remove entirely regressive impositions such as logging tax, unduly high diesel tax and tax on aircraft fuels, and so on.

(5) Within limits, allow special tax exemptions to producing mines provided those funds are used for new exploration in the field.

(6) Apply a "distance-from-mill" factor to stumpage dues, to help control costs of wood and enable limit-wide cutting, so as to distribute equitably employment and reduce the need for transient seasonal workers who later become charges in off-seasons.

(7) Timber dues for lumber production should be related to the effect of downgrading

of product due to disease or damaged raw material.

Hon. members from the north will know what I mean by that but others may not. It means simply this: People pay the same cost for dues in a given area for the manufacture of lumber. One man will get a good grade of log and produce an excellent grade of lumber. The other man may run into disease, red rot, worm infestation and the like and be culled severely when he takes his lumber to the market.

(8) All-weather roads should be constructed into suitable timber areas and subsidized on a basis similar to legislation affecting municipal roads.

(9) Set aside timber areas for communities in natural resources areas on a minimum basis of 100 square miles for each 1,000 of population to sustain secondary forest industry in production of lumber, ties, poles and like products. Concessions granted must be on a term basis to permit planning of financing and marketing.

(10) In suitable agriculture areas, stimulate and develop the production and marketing of beef cattle and table produce for the local markets.

(11) Establish centres, perhaps under the community centres training plan, for local tanning, designing, cutting, tailoring and marketing of practical and not necessarily luxury fur clothing and accessories from the abundance of raw furs in the region.

For example, what a lift it would give our Indians if provincial and municipal police forces in Ontario were to use northern beaver hats in their uniform gear during the winter months.

(12) Set up a realistic programme of low-cost housing for northern Ontario.

I know I have elaborated somewhat on that, but provision should also follow that the province assume mortgages held by companies for employees' housing so that the capital tied up in these projects can be released for industrial expansion and new development.

(13) Use the plant of regional high schools and technical schools at night and on week-ends for the training and retraining of workers to fill skilled and semi-skilled occupations in resources industry. Many of the vacancies must now be filled by imported help.

I may say, Mr. Speaker, that is going on right now in areas where our young people are out of work, and skilled and semi-skilled people have to be imported to fill certain jobs.

(14) Set up a committee to advise the Minister of Energy Resources on economics as they relate to Hydro policy or the lack of it, such committee to be chaired by the Minister and include, among others, members of the Legislature from northern Ontario.

(15) Subsidize prospecting parties with one experienced prospector and two trainees in each party to explore new geologically favourable areas.

(16) Augment federal small business loan legislation with a \$25-million revolving credit fund to assist small resources industries.

(17) Appoint senior civil servants, from personnel with northern backgrounds, to deal with northern affairs.

(18) Abolish The Department of Travel and Publicity—

An hon. member: Hear, hear.

Mr. Wren: —and include the same as a division of The Department of Commerce, to co-ordinate vitally needed publicity on travel and industrial commercial opportunity. One sector of the division would be devoted to tourist and general industrial publicity for northern Ontario.

(19) Expand the junior ranger programme in Lands and Forests to include youths from 18 to 25 years of age for programmes such as developing recreation areas, conservation areas, parks, trailer ramps, resort land, subdivisions and services.

(20) Eliminate waste and high costs by the processing and packaging, in local areas, of natural foods such as commercial fish, blueberries, wild rice, and so on.

I submit, Mr. Speaker, that the foregoing will permit of the kind of development which will, in a short time, uplift the economy of northern Ontario to a point where it will not only sustain its present population but open, in addition, opportunities for additional thousands.

The cost is not impossible because, first of all, the highways I mentioned—the trans-Canada for one—are highly subsidizable now under federal regulations; and a \$25-million revolving credit fund would not, in the end, cost the government anything. The cost is not impossible when one reckons the near-billion dollars of mineral production in Ontario last year, in addition to the impact of the forest industries on the whole Canadian economy.

Mr. Speaker, in conclusion I want to emphasize this particular point to the House again. I wish the hon. Prime Minister would pay considerable attention to this because

we, in the north, believe it to be very important. And that is this: In assessing costs one must bear in mind that northern Ontario is a victim of economic geography, in between a western and an eastern economy.

For these reasons, among others, the people of northern and northwestern Ontario are entitled to the same kind of consideration, from the federal authorities, as is extended to the Maritimes as a unit and to other so-called "have not" provinces.

An hon. member: That is right.

Mr. Wren: We are actually a province within a province and, as such, should be entitled to special attention in any federal-provincial conference on fiscal matters. For, when Ontario submissions are resolved as such, there need be then separate and distinct negotiations by Ontario, which would categorize the whole of northern Ontario as a jurisdiction for purposes of allocation only; as wholly entitled to special federal grants as the Maritimes and the "have not" provinces, such as Alberta—who would receive upwards of \$20 million by equalization grants while northern Ontario starved, economically, in its need for road and basic developmental services.

These things, Mr. Speaker, I personally believe, and I know the Ontario Liberal party believes, to be self-evident truths too long neglected.

Mr. C. S. MacNaughton (Huron): Mr. Speaker, my purpose in taking part in this debate today will be to develop the basic, fundamental relationship of employment, or unemployment as the case may be, to trade—expansion of trade—particularly in the export market.

The emphasis will of course be placed on export trade because in Canada, and in Ontario, our production potential is, in a majority of circumstances, vastly in excess of our domestic consumption capacity. This is particularly the case in agricultural production.

It is my opinion, Mr. Speaker, that, in the field of expanded trade and development of markets outside of Canada lies the positive approach to providing more work, more jobs for our Canadian and Ontario people.

I was glad to hear the hon. leader of the Opposition (Mr. Wintermeyer) stress this point. As a matter of fact I would like to quote some of the observations he made in this House a matter of two weeks ago today. He was referring to the factors that

contribute to growth and, on the bottom of page 71 in *Hansard*, he said:

So, on the supply side of growth, you have resources and you have quantity and quality of employment. On the demand side, markets.

Further, at the top of page 72 he said:

It is as simple as that—markets—and we do not have the markets we require in Canada and in Ontario. Much of our difficulty, today, relates itself to markets.

Again on the same page the hon. leader of the Opposition says:

On the supply side we have all the necessary factors. But we certainly, in terms of markets, have not done what we should have done and what must be done.

Finally, he observes:

We are not exporting as much as we should; and our gross national product is not going ahead fast enough to absorb the labour force coming on the market as a result of the growth in our population.

Mr. Speaker, I agree completely with these observations. In fact, I was particularly glad to hear the hon. leader of the Opposition endorse, in substance, the Throne speech announcement that measures were to be implemented to assist in the development of trade for our people, and the subsequent employment that will inevitably follow such expansion of trade.

However, I found myself completely at a loss to understand the related or unrelated observations of one of his own back-benchers, in the person of the hon. member for Parkdale (Mr. Trotter), when he said, in reference to the government:

They want to get away from the problems that are in the province. They want to talk about something they cannot touch or cannot solve.

Surely, Mr. Speaker, this is in direct contradiction to the sentiments of his hon. leader. I can only brand this as irresponsible nonsense, and put it down to the fact that the hon. member is unaware of what is taking place and consequently, as is so often the case, has not the faintest idea of what he is talking about.

I propose to describe to the hon. member for Parkdale and, in fact, all hon. members, not only what can be done to solve the problem, but what has been done, is being done, and will be done.

Firstly, let me refer to the report tabled last week by the hon. Minister of Agriculture

(Mr. Goodfellow). The report was dealing with the findings of a committee—headed by the hon. Minister, and of which I was privileged to be a member—which made an intensive 3-week survey of the market potential for Ontario farm products in the United Kingdom and certain countries of Europe.

Surely, Mr. Speaker, all hon. members will agree that the first move in the direction of market development is to determine, by first-hand examination, what products consumers in these markets will buy—and that the people of Ontario produce or can produce. This has been done and, as the report indicates, it has been established that there is a very excellent market in the United Kingdom, particularly for many lines of the products of our Ontario farms.

I say, for the record, as I said for the report which has been tabled, that one cannot travel throughout the United Kingdom without concluding that there is a tremendous market potential for many lines of consumer goods, particularly foodstuffs. It is evident that a systematic attempt to obtain a rightful share of a market that is traditionally ours could well exceed our expectations.

I might say that the party opposite had a long time to try to accomplish something, too, and they did nothing about it.

Interjections by hon. members.

Mr. R. M. Whicher (Bruce): Sold anything yet?

Mr. MacNaughton: Well, we are getting on with the job now. Let us get on with it.

Mr. Whicher: Why did not a committee go 10 years ago? Have they just found out about it?

Interjections by hon. members.

Mr. MacNaughton: Whenever they are ready, Mr. Speaker.

There are, naturally, difficulties standing in our way, but I am optimistic enough to say that the obstacles are not insurmountable. The only obstacles in the way will be the road blocks hon. members of the Opposition attempt to place in our way. Otherwise we will get the job done.

The Throne speech forecast a programme of research. Such a programme is, of course, a necessity, and it is gratifying to note that the programme is already underway.

I believe, and would recommend, that, while the research efforts are being conducted, the initial moves related to hard

selling and the promotional features that are a fundamental part of any sales programme should be instituted immediately to the extent that they can be related to the availability of products which are presently acceptable in these markets.

Mr. Speaker, I should like to refer once more to the remarks of the hon. member for Parkdale about "cannot touch and cannot solve." Also reference to, and consideration of, an observation of the hon. member for York South (Mr. MacDonald) is, I believe warranted. On page 84 of *Hansard* he recited a portion of the Throne speech as follows:

In view of the mounting world competition and its effect on industry, particularly secondary industry, with its incidence of unemployment, be it resolved that while trade and commerce are within the competence of the federal Parliament, every effort will be made in every section of the provincial economy—

and so on. Then the hon. member said:

In effect, it suggests that the provincial government—and I think we should note this—should move into fields which have hitherto been primarily and constitutionally a federal responsibility. It is, in other words, Mr. Speaker, a provincial effort to try to bail out the federal government which has not done the job.

Mr. Speaker, if this government, or the federal government, adhered to this sort of negative—and I will use a word coined by the hon. member for York South—"mish mash," I would submit to this sort of criticism meekly and without objection. Obviously for once, he has slipped up on his homework.

Firstly, may I draw the attention of the House—although every hon. member must be aware of what is being accomplished—to the conference still continuing at Ottawa under the sponsorship and direction of the federal hon. Minister of Trade and Commerce (Mr. Hees). I say this to all hon. members, that the conference referred to is the most positive, the most imaginative, programme for trade development ever undertaken by any government at any time, and that includes the government that was there for 22 years.

An hon. CCF member: Did he say "mish mash"?

Mr. MacNaughton: Yes, I said "mish mash," in reference to the word the hon. member's side-kick coined over there.

I know that our Ontario government recognizes the scope of its jurisdiction. Admitting

that the field of trade development is constitutionally a federal responsibility, I say it is the responsibility of not only every government, at every level, to help in every conceivable way they can to assure the success of the programme; it is the responsibility of every industry, every citizen, in the face of what all describe as an emergency, to back the federal endeavour with every means at their disposal.

A headline on the financial page of last Saturday's *Toronto Telegram* says: "Mr. Hees points the way to more sales."

He has indeed pointed the way, and it is up to all branches of our Canadian society to fall in step behind him in what may well be the most significant move in trade expansion in our history.

Already, 1,140 businessmen, from the Atlantic to the Pacific, have had 12,000 interviews with 111 trade commissioners, all working virtually around the clock.

An hon. member: All talk, no work.

Mr. MacNaughton: Well, here is what the president of the Canadian exporters association, Mr. R. D. L. Kinsman, has to say about it. Maybe he is an authority on it. He says, and I quote:

This is a tour around the world. It is an undreamed-of opportunity for Canadian businessmen to assess foreign markets in a matter of days, where it would take months and a mountain of money to go out and look for them.

I come once more to the "cannot touch-cannot solve" theme of the hon. member for Parkdale. I can report to the hon. members that, last Thursday, I was privileged to accompany the hon. Minister of Planning and Development, along with representatives of his department and representatives of The Department of Agriculture, to consult with the hon. federal Minister of Trade and Commerce and his officials, to explore means by which the facilities of these Ontario departments could most effectively be used with the federal programme.

I may say, Mr. Speaker, that the welcome and appreciation of the hon. Minister of Trade and Commerce was overwhelming.

Mr. F. R. Oliver (Grey South): He was glad to see the hon. member, was he?

Mr. MacNaughton: Yes. He was not only glad to see us; I will tell the hon. member what he was glad to see, in a moment.

A spirit of complete co-operation was evidenced on both sides; and the government of

Ontario was commended for being the first to offer their full assistance.

The hon. Minister of Planning and Development will deal with the discussions and decisions which took place in more complete detail. However, I am prompted to ask the hon. member for York South—and for once, I see, he is not in his seat—does this enterprising undertaking indicate to him that the federal government, or the federal hon. Minister, need any "bailing out," as he stated a few days ago? Does it indicate to the hon. member for Parkdale that we in Ontario cannot touch and at least help solve? The answer, of course, is a very definite "no" on both counts.

Let us recognize, Mr. Speaker, that, in the final analysis, the success of any programme for trade expansion will depend on one fundamentally important feature. That feature is "hard selling."

An hon. member: Hard times.

Mr. MacNaughton: Well, that is usually the hon. member's stock in trade. I am going to talk about probable good times associated with hard selling. Now, hon. members opposite keep on talking about hard times. But selling in foreign markets differs little, if any, from selling at home in our domestic market. A properly related programme, in my opinion, requires only a simple formula which may be described as follows:

(a) A programme of research to determine what Ontario products are actually saleable in the market, or markets, to be promoted.

(b) Extension of such a research programme to find out the quality standards which will be acceptable in such markets.

(c) A comprehensive study of consumer habits, acceptable methods of merchandising, related to packaging and design or what will appeal to the consumer and so on.

The hon. members may ask: Did we not know this before? I would say yes; I think everybody knew this before. But we are living in a very fast moving society, and it changes from day to day. So let us get up to date, and keep up to date, and quit talking about hard times.

(d) A survey which would indicate competitive wholesale and retail prices for a range of acceptable products and quality standards, followed up by:

(e) An aggressive sales campaign, conducted by thoroughly capable, well informed salesmen.

I repeat, Mr. Speaker, that the success of a programme for which the stage has been

set—by government—will succeed, provided it is accepted as a challenge by all related branches of our economic family. Industry, agriculture and labour combined can ensure the required degree of productivity that will make our Canadian products sufficiently competitive to be readily marketable, if the required attitude of responsibility is assumed by all.

It has been accomplished in countries abroad with much fewer resources than we enjoy as a natural heritage. Wherever one travels in Europe and the United Kingdom one sees a work programme being conducted on a round-the-clock basis.

Mr. Whicher: They have no Tories over there.

Mr. MacNaughton: No Tories in the United Kingdom? I thought they were doing pretty well these days.

I repeat, Mr. Speaker, wherever one travels in Europe and the United Kingdom one sees a work programme being conducted on a round-the-clock basis, people working as though their survival depended on it and, consequently, making their contributions to reduce production costs. The premise of a day's work for a day's pay is evident on every hand. I am not one to admit, Mr. Speaker, that we, as Canadians, are not equally resourceful as, or not more resourceful than, people of any other country.

Mr. Speaker, these are simple, practical observations and suggestions.

Mr. A. E. Thompson (Dovercourt): May I ask a question? In connection with this research that the hon. member is planning, are there facilities for that in Ontario House? Is he going to do that in Europe? Has he got a staff in Ontario House to do this marketing research, and if not, why not?

Mr. MacNaughton: I think maybe if the hon. member went back and read the Throne speech he would find where the department with their research facilities are going to co-operate with the Ontario research council in a programme of product research, and they will relate this to Ontario House so that they can take it out on their sales programme. I think that is the premise that is being undertaken.

Mr. Thompson: I am sorry. I am talking about the hon. member's promotion and marketing over in Europe, and I wonder what kind of a staff he has in Ontario House. I have never had that made clear. Are there economists and research people with respect to

marketing, in Ontario House? Could the hon. member clarify that for me, please?

Mr. MacNaughton: Well, of course, we have a staff in Ontario House and they work with The Department of Planning and Development, but I am going to let the hon. Minister of that department deal with that phase of the question more thoroughly when he makes his observations before the House.

I said before I was interrupted, Mr. Speaker, that these are two practical observations and suggestions. They will not startle, or make any sensational impression on, those who are engaged in the field of merchandising. They have been recited for the record for the particular purpose of placing in perspective the extent of the role that I am sure can and will be played by government together with the effort which is required by all related branches of our economy.

In fact, Mr. Speaker, it seems to me to be of the utmost importance to develop the premise that great things in this field can be accomplished, and will be accomplished, and at the same time destroy the negative attitude and approach to our problems that seem to be the only stock in trade of politicians in opposition.

On this theme I quote from a small weekly British Columbia newspaper in a producing area, the *Grand Forks Gazette*:

There seems so little reason why, in a country such as ours still being developed, there ever has to be the unhappy spectre of breadlines in the land. It is not a time for gloom—but a time for ambitious, progressive effort everywhere in Canada.

I happen to like this theme better than the one I hear so often from the hon. member for Bruce. I just happen to enjoy talking in this vein more than I like thinking about hard times and impossibilities.

This, Mr. Speaker, is the attitude that must prevail on the part of every Canadian if the big things of which we are capable are to be accomplished.

Let me say that it is my opinion that there is no long-term programme which will more effectively provide work for our people than increased trade. More orders for our processors and exporters not only make more markets for our primary producers but will swell the ranks of workers to turn out the goods.

Accelerated works programmes, subsidies and so on, are short-term remedies—palliatives, if you like—and while the efforts of

government in this direction are commendable and tend to help the short-term situation, they will fall far short of providing the benefits of a lasting nature that will accrue to systematic trade development.

However, at this point I might observe that the results in this endeavour are not as gloomy as recently forecast by the hon. member for Woodbine (Mr. Bryden). He spoke, I believe it was on November 21, in Kitchener and according to the Kitchener daily newspaper he said: "Average unemployment for the past 12 months has been 419,000."

It is interesting to note that the winter peak of unemployment has exceeded this total in only 3 of the past 10 years, and as he points out it is likely to do so again, in fact he is forecasting a rather high winter peak of unemployment. I would point out to him that certain signs and portents that I read lead me to the conclusion that it may not be as gloomy as he portrays it.

Let us point this out on a fair basis of observation, that the labour force has grown steadily throughout the years, hence unemployment as a proportion of the work force does not show the dreary, gloomy picture the raw figures would indicate.

In 1958 the official figures indicate that the winter peak was 10.6 per cent of the work force, and the annual average was 7.1 per cent. In 1959 the winter peak was 9.5 and the annual average 6 per cent—an improvement. From November, 1959, to October, 1960, almost as of today, the winter peak was 9.8 and the annual average 6.7—an improvement over 1958, slightly worse than 1959.

It does seem safe to me to predict, however, that this winter, the figures will not deteriorate to the extent the hon. member predicts. Winter works programmes already have provided almost double the jobs of last year. Regardless of what the figure is, it is double that of last year.

Seasonal layoffs this year may be closer to peak now than at any time in the previous few years, and information and opinions made available to me would indicate that the winter peak in 1961 may well show an improvement over any of the past 3 years. Certainly the signs point that way. I must say I prefer the optimistic view than the line of pessimism forecast by the hon. member for Woodbine and many of the hon. members I have heard this afternoon.

Mr. Speaker, instead of concentrating on shorter hours of work per week, as has been suggested in this House, let us develop our

nation's business at home and abroad so that a step-up in man hours of work per week will be required to turn out the goods.

Instead of increased unemployment insurance benefits, as has also been suggested in this House—and I am sorry the hon. member for York South is not in his seat because this was his suggestion—

Mr. K. Bryden (Woodbine): No, he did not, I suggested it.

Mr. MacNaughton: Well, that makes two of you because he did too.

Mr. Bryden: It is in our resolution, if the hon. member can find it.

Mr. MacNaughton: Exactly. Well, I say instead of doing that, let everyone put the accent on the positive side so that benefits of this nature will provide help for emergent situations as they arise—rather than provide, as they do, an alternative to the productive effort that is so necessary today. Let us stamp out the abuses attendant upon unemployment insurance benefits that have reduced the fund to dangerously low levels.

Mr. Bryden: It is not the abuses of unemployment—

Mr. MacNaughton: Let us recognize that whereas there are tens of thousands of people across our country who will contribute from the earnings of a lifetime to support the fund, there are also many thousands of people who make a career out of living off it. Let us take a long look at the purpose for which the fund was created and we will find that systematic abuse is, and has been, taking place.

In other words and in short, Mr. Speaker, let us resolve to do business, and adopt as a slogan in this province the headline appearing in last Saturday's *London Free Press*: "Ontario joins campaign to mobilize for export."

In this context let me tell hon. members about the conference theme developed by the hon. Minister of Trade and Commerce. To make his point he wears a very attractive tie clip and he wears a very attractive pair of cuff links. These cuff links, Mr. Speaker, bear a legend—the letters on these cuff links "YCDBSOYA." The legend is simply this, "You cannot do business sitting on your —." I think I know what the last letter stands for but to stay within the confines of parliamentary dignity, I will assume that the hon. members can figure it out for themselves.

I will conclude by saying that if ever a country stood at the threshold of greatness it is Canada today. We in Canada are at about the same stage in terms of population and development as was the United States 40 or 50 years ago. We have the resources and the resourcefulness to ensure that each decade ahead will mark advances that may well render even the most optimistic forecasts obsolete. Our great country is looked up to and respected around the world; let us have the same respect for ourselves.

Hon. Mr. Wardrope: Mr. Speaker, I am very pleased to rise and add my few remarks which, after those of the hon. member for Kenora and the hon. member behind me (Mr. MacNaughton)—which have been really brilliant and informative—will seem like a small effort. However, I might say they will be channelled along an optimistic vein rather than a pessimistic one, because that is the way I feel today.

I have listened to the hon. member for Kenora and I agree with a great deal that he says. I read a great deal about unemployment, and most of the criticism and remarks I have noticed, Mr. Speaker, have been directed at the government, both federal and provincial. Now this has done a lot—and I know that it is done for political reasons but I want to bring this point to the attention of the House—it has done a lot to spread uncertainty and alarm in the public mind. It has tended to reduce employment through fear, which has caused businessmen and people to restrict their operations and purchasing and in that way cause further unemployment.

That is factual, Mr. Speaker! I would like to give you some of my ideas on this situation.

I have a business in the city of Port Arthur employing some 14 people. The responsibility is mine to provide money for them each month. I can tell you I get constant admonitions from different people about the seriousness of the constant spreading of fear from hon. members who are trying to espouse their cause.

One that was brought to my attention especially was a man in the city of Port Arthur who had some \$3,000, a permanent job with pension rights and other things. He said to me: "I have been reading these things in the paper about the impending recession or depression and I feel that I should not buy the new car I was going to buy this year. I think I will wait awhile."

Now just multiply that thousands of times, my hon. friends, and see what effect it has on the economic situation of this country and

on unemployment. I know because I am an employer—a small employer, it is true—but it has a great effect on the minds of all the people in the working ranks of this province. We never know what will happen in the future, I admit, but we should keep on doing everything we can to prevent recession, not just talk about it. Let us buy Canadian goods ourselves—keep that in mind, and not sell Canada short.

Now we hear a lot of talk about full employment from the hon. members over there in Opposition. Full employment is a very deceptive phrase. In 1945, it was used to describe the effort to bring about an orderly transition of the economy from war-time to peacetime conditions. It has also been defined as a situation in which all employable workers have jobs. And it has often been given an added meaning that implies a government is responsible for seeing that everyone always has a job. That, in turn, implies that the state direct the national economy so that no one capable of work is ever out of work.

That, Mr. Speaker, is an attractive and plausible idea to those who cannot find work or who have difficulty hanging onto jobs. Unfortunately, they do not seem to give much thought to the power that would have to be given to government to bring about such a condition.

Speaking in the upper House during the recent session of Parliament, Senator Thomas A. Crerar—what are his politics, Mr. Speaker? A Progressive Liberal, is he? Well, all right, I will give him credit. Thomas A. Crerar put his finger on the point when he asked: "Is it to be the responsibility of government to find jobs, to provide work at all times for the unemployed?"

If the answer is in the affirmative, if we conclude that it is the responsibility of government to see that unemployment is banished from the land, then we must go the further step and consider how we can place our governing authorities in a position where they can discharge that responsibility. I think that is fundamental.

Senator Crerar recognizes that in any state where the people permit or demand that government guarantee jobs at all times, the means to that end is supreme authority of the state over the individual and the jobs that workers must take, not jobs that workers want. That is conscription of labour, and that is what they espouse.

To some theorists, this is an economically logical, desirable course.

Like some hon. members in this House,

some members of the Labour party in Britain assumed that peacetime conscription would be a policy of any socialist government. When the Labour party there came into office with a clear mandate, its failure to impose compulsory national service was a source of undisguised chagrin to some of the members.

Of course the British public would never have accepted that situation, nor would Canadians.

Nevertheless that is what is implicit in the new meaning that is being given to this phrase "full employment."

Mr. Bryden: So the hon. Minister is against full employment, is he? The hon. Minister wants unemployment.

Hon. Mr. Wardrope: The hon. member never did know what full employment was, unless he had a job working for somebody and getting something for nothing.

There has been not much evidence, Mr. Speaker, of any substantial improvement in the attitude of employers in general towards the hiring of older workers, which concerns me, despite protests that government and industry are thereby failing to tap a great source of skill.

The situation in the United States apparently is improving. Reports from the United States national association of manufacturers say that workers in the 46-65 age bracket are obtaining jobs more easily than they did a few years ago.

This change apparently stems not from just one, but a series of causes. Employers are realizing that the worker between 45 and 65 is frequently in his best years because of knowledge and judgment gained through his experience.

The development of machinery to replace strenuous physical effort, which some people decry, has made possible the extension and the bringing of workers to jobs which would have been beyond their strength a few years ago.

Employers find that, although older employees may not work as fast as younger ones and may resist change of method, they stay on the job more steadily, are more careful, have better safety records, have patience and thoroughness and, in many cases, can out-produce younger workers. That is an improvement, Mr. Speaker.

The pension hurdle—this is something we are debating now and will further debate—which once seemed serious, is no longer an

obstacle to the majority of leading companies, according to a survey. Age levels are found to have only a slight effect on group insurance costs; social security payments help. Some employees have pension rights from former jobs. Some can be compensated in other ways if hired without inclusion in a company pension plan.

In short, a problem, which at one stage seemed almost insurmountable, Mr. Speaker, has begun to yield to the application of thought.

Still more thought is required, I grant, not only by employers, but also by employees who need to develop adaptability. But ways are being found to make use of important human resources and we anticipate that the demand for older workers will even increase rather than go lower.

We talk a lot about training for employment. I think that is a great necessity. The problem of unemployment is being talked about so much in both Canada and the United States because it is serious. But it is still not too great a worry. Production, personal income and overall employment, for instance, in the United States, snapped back smartly from the 1957-1958 recession low. The percentage of the labour force not working has stayed near or around 5 per cent. An analytical look at the situation was taken by the conservative—and I stress that word—Morgan Guaranty Trust Company of New York, and produced the following report:

A striking feature of today's unemployment is the degree of concentration in certain groups of people in certain sectors of the economy.

Most affected are young, unmarried workers, the unskilled and the poorly educated, and workers usually engaged in mining, manufacturing and construction activities. The rate among people under 25, unskilled labourers and construction workers, is in each case 10 per cent, or more, greater. Now, in mining and manufacturing it is also considerably above the national average. The jobless rate is below average for married men with families, workers with technical skill, those in the so-called occupations and those in the so-called service industries.

Indeed, actual shortages of workers exist in some of these groupings, pointing up the fact that the unemployment problem is not simply a matter of total demand and total supply but is, to some extent, one of achieving a better matching of skills and training with employment opportunities.

Better preparation of young people for entry into the job market is a basic need we all realize. This means better schooling, job training, better counselling and guidance. Vocational training is needed for both young and old workers. Many middle-aged and older workers need to be taught skills to replace those now obsolete, and the trainees need some means of maintaining reasonable incomes during the period between jobs.

More effective assistance, at least some of it from federal sources, is needed to help areas with substantial and persistent labour surplus to get out of the rut.

This government is correcting this with trade training, using many of our schools in the evenings. As the hon. member for Kenora mentioned, many of our schools are being used for that very purpose.

We talk about Ontario, but this province is the brightest, as far as unemployment is concerned, in this whole Dominion, with the exception of the prairies, where farmers are working on their own farms. The hardest hit is British Columbia with 7.2 per cent of its labour force out of work; Quebec has 6.3 per cent of employables out of work, and Ontario only 4.7 per cent of its employables out of work.

So let us not start crying about Ontario being so terrible. It is the largest industrial province in this Dominion and has a lower rate of unemployment than those other provinces that go in a great deal for industry.

My hon. friend spoke about the Lakehead district in the north and I was amazed at some of his remarks. Really, I must have been away from there a long time, if that is what is actually happening. I was at a meeting in October in Fort William when the hon. Prime Minister predicted a big expansion across the north.

"The growth of northern Ontario," he said, "will far surpass anything we have seen to date and, in my judgment, northern Ontario is emerging into an area of development which is quite unprecedented."

With that I agree.

"The complexion of the North's opportunities," the hon. Prime Minister continued, "has been altered by the completion of the St. Lawrence seaway and the graduation of the Lakehead into an ocean port."

There has been fabulous development of the province's northern highway system, developments in science and technology and the arrival of Canadian oil and natural gas from the west.

Mr. Speaker, hon. members have referred to highway conditions up there. I will be going, tomorrow, to Schreiber, and Terrace Bay, which is about 100-odd miles east of Port Arthur on highway No. 17, and I will probably be arrested for going over 60 miles an hour. There is not a piece of that road which is not in wonderful shape today.

I said to my office manager the other day: "Now the roads are in good shape, I wonder what the Opposition will say?"

He said: "They will say it took too long."

Now, is that not a fact? That is what they will say because it is all they can say and the hon. leader of the Opposition knows it. During the last election, he came up to the head of the Lakes and cried about the roads. He will never be able to do that again, sir; that is one of his points gone. He will have to find something else.

Interjections by several hon. members.

Hon. Mr. Wardrobe: Now then, Mr. Speaker, we did talk about the seaway and about business. Well, here is a quote from a special issue of the *Port Arthur News-Chronicle*, a Thompson daily and a good one. This was dated November 7, Mr. Speaker, and reads as follows:

FOUR-FOLD BOOST IN OCEAN TRAFFIC AT LAKEHEAD

Ocean ship traffic at the Lakehead now is about 4 times as great as in August, 1959, shipping officials reported. Seven of the ocean-going ships were in port last week and two were loading grain yesterday.

Captain P. C. Finlay, the Lakehead port warden, said the increase in numbers is quite surprising, particularly at this time of year when the port of Churchill is also open. Grain trade officials said several grain carriers might be diverted here because of a grain workers' strike at Duluth, Minnesota.

All of the 27 elevators here are congested and grain officials said they would welcome extra ships. Shipping during the last 30 days has been very active in moving grain to the east.

That is another of the planks of the gloom programme gone for that area.

Let us listen to the paper business that we were told was going to close up:

A \$3.25 million modernization and improvement programme, including major changes in No. 1 and 2 paper machines commonly known as Jumbo and Judy at the Great Lakes Paper Company plant in Fort William, has been announced by president

P. J. W. Fox. He disclosed the programme Saturday at the 13th annual senior club dinner. Mr. Fox announced that the programme would be in two phases.

I will not go on to tell about it. Judy was installed in 1928. The total cost of modernization programme for the machines will be some \$1.9 million. On the other machine, the cost of this phase will be \$1.3 million.

Listen to this, again from the *News-Chronicle*:

The modernization programme at the mill started in 1955 and some \$37 million has been spent. Mr. Fox stated the programme is essential to ensure that Great Lakes keeps pace with the demands of the market. We must keep our mill modern, efficient and competitive.

Referring to the efficiency with which employees completed the major expansion programme on schedule in 1958, he expressed confidence that they would display similar enthusiasm in carrying out the new programme scheduled.

Here is a company, Mr. Speaker, that does not fear the future.

They have the biggest paper machine in the world right at that plant.

Some of our mills are working overtime at the moment to keep up with orders. What about the new sawmill operation at Hudson in the riding of the hon. member for Kenora, that we opened just a little while ago?

Mr. Wren: It is simply replacing another mill.

Hon. Mr. Wardrobe: Yes, but the other mill was an old mill that had been disused for years, had not run. It belonged to a former member of this House, who has been dead for years.

Mr. Wren: Mr. Speaker, on a point of privilege, the hon. Minister is misleading this House.

Hon. Mr. Wardrobe: Oh, no, he is not.

Mr. Wren: The mill which the new mill replaced had only been shut down for 16 months.

Hon. Mr. Wardrobe: I thought it was 16 years. Well, now they have a better one and they have a special rate from Hydro to keep it going—and just remember it. The hon. member talked about Hydro putting businesses out of commission. What about the Hydro in that deal? They put it in commission.

To show that this government is creating

a proper climate for private enterprise to expand, I would like to mention some of the things here that might be interesting.

The healthy expansion of Ontario's population requires and facilitates an equally healthy expansion of industry in the province, which of course means a healthy expansion of job opportunities. This was the thought behind the two-day industrial conference held in the city of Toronto two weeks ago under the sponsorship of the Ontario government. It is a conference not for the negative purpose of alleviating unemployment, but for the positive purpose of increasing production and sales by the various industries of this province. This having been looked after, unemployment will look after itself.

Arrangements for the conference were made by the trade and industry branch of The Department of Planning and Development under the hon. Minister of Planning and Development. Branch officials are putting particular stress on the export opportunities which exist for Ontario industry in foreign markets, specifically in the United Kingdom and the United States.

All the delegates attending that convention—from management, from labour, and from the Ontario government—were armed with two statistical booklets put out by the trade and industry branch for the occasion, one booklet telling what Britain buys from Canada and from the world at large, the other telling the same story of the United States.

That was a great conference; one that did a lot of good. And, in the future, the federal hon. Minister of Trade and Commerce thinks—and the Ontario government thinks—rather than run away from the competition, they will meet it head on.

The two trade conferences, provincial and federal, will bring out the nature of the competition facing businesses in Ontario and Canada, the nature of the opportunities awaiting them, the nature of the response they must make to both.

Guiding each of these conferences is the belief that we, in Ontario and in Canada, can determine our own future by our own exertion. It is a belief that has proved itself many times over and this government, Mr. Speaker, intends to follow and expand this belief.

Canada is standing on the threshold of its greatest years of expansion. The door to progress and prosperity is only slightly ajar. Temporary business recession and unemployment have been distorted out of all proportion by the prophets of doom and political opportunists.

The other day I was privileged to listen to Mr. Crosby, the president of Barclay's Bank—the chairman of the board—and he said they have 5,000 branches throughout the world. He got off the plane in Canada and he was amazed at the activity, the prosperity of the people. Then he talked to a few and they said: "Oh, things are terrible here, Mr. Crosby, things are terrible."

He said: "I was just amazed, I could not understand it. Here is Canada, a country with more natural resources than any country in the world, more opportunities and a virile people, and yet people are talking about recession in the press."

He said: "You know, business climate is like the sea. There are waves, there are little dips and there are tops."

He told me this story: "Some of them remind me of two shoe salesmen who went to South Africa. One of them the day after he got there sent back a wire: 'I am taking the next plane home. Nobody wears shoes here.' The next fellow sent a wire and he said, 'I am sending in an order for a large number of shoes. Please repeat it with double the quantity. Nobody has any shoes down here.'"

Criers of gloom, criers of gloom, Mr. Speaker! Gloom is brought out with the basic idea of trying to get into political power, that is all it is. But in that idea, some hon. members are spreading a lot of dismay and concern among the working people of this province. That is what I do not like about it.

What is needed in the months ahead is a realistic but confident appraisal of the change which is taking place in the business climate. If the nation does experience a recessionary phase in the business cycle, it will be followed by new expansion.

Business and government can use the breathing spell to good advantage. An off-peak period may offer many companies an opportunity to modernize plants, change production techniques, and effect other improvements which cannot be made during capacity operation.

Let us look at the comparison of today with the 1930s. I want to bring up a point mentioned by the hon. member for Kenora. I was then chairman of relief—an alderman and chairman of relief—for the city of Port Arthur under the Hepburn government. Let us see what happened then.

Mr. H. C. Nixon (Brant): That was under the Bennett government.

Hon. Mr. Wardrope: Oh, no! The Hepburn government was the one under which I was

working, and the hon. member was a member too, so he should remember it quite well.

He talked about soup kitchens in Port Arthur! Does he remember them? Does he remember when the hungry jobless filled our city offices? They lay in the halls, we could not get our office doors open. We went down in fear and trembling and we finally got the hon. member to come through with a little more relief.

Mr. Nixon: That must have been the Henry government.

Hon. Mr. Wardrope: Those were the days!

Mr. Nixon: That was under the Henry government.

Hon. Mr. Wardrope: Oh no, it was not! Now, what year would the hon. member like me to take? What would he say was the Hepburn government year, 1935? The unemployed in the city of Port Arthur in 1935 numbered 3,470. Now keep that figure. In 1934, there were 2,047. All right.

Now then, let us take today, and I point this out to the hon. member for Kenora, let us take today. This is November 24, the city of Port Arthur and district. Now when you add 3,470 on relief in the city of Port Arthur, the population at that time—

Mr. Wren: The hon. Minister is talking about unemployment—he is confusing us with figures.

Hon. Mr. Wardrope: All right, do not try to confuse me because I was there through this and the memory of it still saddens my heart. I hate to go back but I am forced to.

Now the population at that time was 23,000—keep that figure in your head—23,000 was the population and there were 3,470 unemployed.

Today the population is 60,000 in that area and the unemployed as of March 24, were 2,489 males and 580 females, a total of 3,069. Look up Mr. Reid's report and if that is not coloured for political reasons I will eat my shirt.

Mr. Nixon: How did the hon. Minister come to have such a good job from the Hepburn government?

Hon. Mr. Wardrope: I was elected by the people of Port Arthur who were sick of the Hepburn government. I was elected as a Conservative alderman, to try to correct the situation—

Mr. Nixon: I thought the hon. Minister said he had a job from the Hepburn government.

Hon. Mr. Wardrope: No, I was an alderman. I was chairman of relief, elected by a Conservative government during the Hepburn regime to try to bring some order out of chaos.

Mr. Nixon: And did the hon. Minister?

Hon. Mr. Wardrope: Well, I have too much respect for the hon. member there to argue with him. He has been a grand old legislator of this province for many years.

Mr. Wren: On a point of order: Now these are the figures issued by the unemployment insurance office of Port Arthur. The hon. Minister was using March there.

Hon. Mr. Wardrope: Now wait a minute! I am using November 24.

Mr. Wren: Of what year?

Hon. Mr. Wardrope: Port Arthur unemployment figures as of November 24, this year. The hon. member is away back in May or some such time.

Mr. Wren: The hon. Minister started off in the spring of 1960. Now let us develop his argument from there. He said there were 3,342 unemployed according to this Port Arthur unemployment insurance office.

Hon. Mr. Wardrope: No, I did not.

Mr. Wren: Yes, the hon. Minister did.

Hon. Mr. Wardrope: No, I have no figure like that.

Mr. Wren: Oh yes, I very carefully wrote it down.

Hon. Mr. Wardrope: Just a minute! Now let the hon. member tell me what he is saying and I will explain.

Mr. Wren: I very carefully wrote down the figure of the hon. Minister of 3,442 and the hon. Minister said this was in March.

Hon. Mr. Wardrope: That was in 1934! What is the hon. member talking about?

Mr. Wren: It was in April of 1960, April 28, the number of unemployed in Port Arthur was 5,923.

Hon. Mr. Wardrope: I have no figure—

Interjections by several hon. members.

Hon. Mr. Wardrope: Listen, I said on November 24 of this year, that is only a

few days ago, the figure is 3,069 and that is it. I never mentioned April.

Mr. Wren: All right, stay with that now.

Hon. Mr. Wardrope: Well, we have improved it by 2,000 over April, according to the hon. member's figures.

Mr. Wren: No! The hon. Minister has not because as of yesterday it was 4,921. I phoned this morning to find out.

Hon. Mr. Wardrope: I will check the hon. member tomorrow.

Mr. Wren: The hon. Minister can do that.

Hon. Mr. Wardrope: I am going to tell hon. members opposite something. They are going to get badly fooled when this recession stops, and I think they are taking a very wrong attitude in clouding the people's eyes and making them feel depressed. That is what those hon. members are doing and it is a very, very bad situation and I feel badly about it.

Mr. Ashforth, the president of the Toronto-Dominion Bank said—did any of the hon. members read the annual report? It was headlined: "Pessimism about the present, lack of optimism about the future is hardly justified. Canadians should give more attention to Canadian products and sell them." That is what we should be doing, selling them!

Now then, mention has been made of a great many things this government is doing to correct the situation. The hon. members have already read it: Expansion of The Department of Economics with a view to supplying economic services to all departments of the government and assisting them to cultivate and enlarge the opportunity for the province's expansion and development, reorganization of The Department of Planning and Development; a products research division, under way as the formation of a market development branch in The Department of Agriculture; submission of a comprehensive programme of planned public works and jobs created in winter works.

I am telling you, Mr. Speaker, I have seen that, and there has never been one like it in the history of this province or any other country.

Also, there is a new approach to the provision of public low rental housing; extension of the forest management programme; and all these other things. I will not enumerate them because all hon. members have heard of them. But let me say one

thing. In the *Toronto Globe and Mail*, of December 9, it says:

The pay cheques of Canadian workers were the fattest in history in September. Total labour income for that month reached \$1.602 billion. During the same month industrial employment remained at the August level, but average weekly wages and salaries rose to \$76.57 from \$75.94 in the previous month. Salary increases average \$2.27 more than in September, 1959.

That is the history all the way through, Mr. Speaker, and yet the Opposition would decry the efforts being made by this country and push us into a depression.

I would like all hon. members in the Opposition, and every hon. member in this House, to broadcast to all businessmen and others in this province to forget their pessimism and adopt an optimistic attitude.

Canada, Mr. Speaker, and every hon. member in this House knows it, has the greatest future in the world. This government is here to see that it is achieved regardless of the Opposition or any other obstacle.

Let none of us sell Canada short. Let us all start out and sell Canada's goods and services. This country will pick up and go places it has never been before, and will be one of the leaders in the world in affairs of all kinds.

It is a pleasure to have had the opportunity to speak. I am leaving on the plane to go up to that great north country, and I will be travelling down that great Lake Superior north shore highway as far as Terrace Bay and I will be on some of the other roads. I will see the great activity there and the things that those people are doing. I will come back refreshed with the great optimistic attitude of mind there is in that whole area.

Mr. Wren: Mr. Speaker, the hon. Minister of Reform Institutions has been making some quotes about our pessimism and gloom. I would refer him to one statement made the other day and it is this: "If the Progressive-Conservative government at Ottawa excelled in keeping promises as it does in making them, we would not be in this mess."

Does he know who made that statement? It was Mr. Van Horné, the Progressive-Conservative federal hon. member for one of the—

Hon. Mr. Wardrope: Well, he joined the hon. member a long time ago.

Mr. Whicher: Mr. Speaker, may I say that I along with other hon. members of this House, have enjoyed the speeches of the hon. members this afternoon. In fact I have enjoyed the whole debate since it started some few days ago. Of course, a great deal has been said and it would take, I believe, time that is not warranted in this assembly to repeat many of the things that we as individual members believe, because it would simply be a repetition.

However, after listening to the hon. Minister of Reform Institutions and the hon. member for Huron, I am surprised that we have had a debate on unemployment at all in this assembly.

From the jubilant remarks they have made about the north and about the farming situation in this country, one would think there is no such thing as unemployment here at all, that it all happened back in the 1930s under what they say was the Hepburn government or a government of other days. To me these sounded like very weak excuses indeed.

The point is, Mr. Speaker, the hon. Ministers who are sitting opposite us at the present time are the people who are now supposed to be running the province of Ontario. Every one of them sitting over there is getting approximately \$21,000 a year. They are in control of the situation and from them we expect results which they have not given us.

I am amused when I hear from the hon. member for Huron how he took a trip overseas, Mr. Speaker, along with the hon. Minister of Agriculture and their advisers, and studied about the packaging of farm goods and how they would sell farm products over in Great Britain and in Europe. Mr. Speaker, I ask you most sincerely: Why did they not do it long ago?

Ever since I have sat in this assembly, since 1955, I have heard the hon. Minister of Agriculture stand up on numerous occasions and explain how we are developing research, how we are going to market our products, the different kinds of packaging that we are going to have for bacon or meat products or vegetables or whatever it may be.

Finally when the Tories of this province are stuck with the unemployment that they themselves have made, they come along this afternoon and have the effrontery to tell us that now they are going to start studying marketing and research and how to package goods so that we can sell them over in England—a market they say we should have had a long time ago.

My question to them, Mr. Speaker, is this: Why have we not had it long ago? Have they not had long enough? Do they not know how bacon should be sold in England? To me it is complete nonsense!

Then, Mr. Speaker, the hon. Minister of Reform Institutions stands up immediately after the hon. member for Huron and he says there are new sawmills in the Kenora area.

This industry, he says, is coming along fine, the pay cheques that are being taken home by the people of the province of Ontario are the greatest in history. With that I certainly agree. But he hints to us that there are no unemployed in the province of Ontario at all.

I suggest to you, Mr. Speaker, that we are not interested in the unemployed in the 1930s. We are interested in the unemployed of 1960. And indeed in the Throne speeches of both last year and this year it has been said on numerous occasions that there is no unemployment. Those documents declare that the economy of this province, and indeed of the whole country, has progressed to a point where we are practically in heaven.

Mr. Speaker, is it true that these people who are down on Spadina avenue are trying to collect unemployment insurance cheques? What about the people I see in my own area, in the Walkerton unemployment insurance office, or the Owen Sound unemployment insurance office? Are they just over there for the good of their health? Of course they are not there for the good of their health! They are there because they simply cannot get jobs.

And, Mr. Speaker, these hon. gentlemen sitting directly opposite to us now are the men who are running the province of Ontario. If they are going to accept the credit for those things that are good in this province, then they must accept the responsibility when things are wrong. As far as unemployment is concerned, it is not good in this province, and they are the people to blame.

It is a funny thing, Mr. Speaker—I would not be one to reiterate this at all—but down through history since Confederation every time there happens to be a Conservative government in office—maybe it is a coincidence, I do not know what it is, but certainly since I was born—when there is a Conservative government in Ottawa, things are not quite as good as they are with some other government there.

It may be that it is a coincidence. I am not going to go any further than that. Certainly we cannot come out and say just because there is a Conservative government

in Ottawa and one in Toronto that they are the sole founders of this small recession, as they choose to call it.

But one thing that is not a coincidence, and one thing that we in the Opposition and the people of Canada and the people of the province of Ontario can say truthfully—one thing we can blame them for—is the broken promises that their brothers in Ottawa, and they as the government, have made during the past 2 or 3 years.

There are promises galore that have not been kept. The big chief they have in Ottawa, the Rt. hon. Prime Minister of Canada, said on one occasion: "As long as I am Prime Minister of this country no man shall suffer from unemployment."

What utter nonsense!

And then we hear these sheep, the hon. members from the other side, stand up here this afternoon and attempt to follow him and say that there is no unemployment. Why do they not face the facts and not try to make excuses for those people who are running this country, who do not know what they are doing?

Mr. MacNaughton: Why does the hon. member not face the facts? Nobody over here said that.

Mr. Whicher: Why do they not face the facts and do something about it and not make pitiable excuses about taking a trip over to England that should have been taken 10 years ago?

An hon. member: What is the hon. member's solution?

Mr. Whicher: I will give my solution in a minute. A trip to get suggestions as to how they are going to sell goods in the United Kingdom and Germany and France, and so forth, is something that they, the government, should have done long ago and something which, I suggest, they get very well paid for.

Mr. Speaker, there are several ways that this problem can be approached and many of them have been mentioned. There have been some good ones given by the other side, as a matter of fact. The only trouble is that it is too late; they should have been given long ago.

When the hon. Prime Minister of Ontario spoke on this very problem, he said that we would have a crash programme and then we must have a programme that is going to get away from this blot on our society, we hope, for all time.

Personally, I am against these crash programmes. I do not think that they will have any great amount of success—although when we have thousands of unemployed across the whole country then it is necessary that something be done immediately.

I would suggest that now, when we know perfectly well that by our famous 20-year highway plan of 2 or 3 years ago, we are going to have to build x hundred miles of highways in the next 20 years, I would suggest that it might just as well be done now.

As a matter of fact, we could do it cheaper now than we can 5 years from now or 10 years from now. If this famous 20-year plan of Ontario Tories, dealing with highways of the province of Ontario, is just and legitimate, I say let us get on with the job. The money is going to have to be spent sooner or later anyway.

Is it not a funny thing—all of us, I believe, in this assembly at least, remember World War II; very well, if we were not here at the end of World War I, we know of it by reading from history—is it not a funny thing that whenever a war comes along, whenever a crisis strikes us, there is all kinds of money to deal with that crisis, whatever it may be? In fact, there are billions and billions of dollars.

Is it not funny that when war comes along very quickly the unemployment problem is no more and everybody is working? In fact, they have people working overtime for many hours.

I suggest to you, Mr. Speaker, that if this democracy of ours is to carry on, if it is not to fall before other governments that are in the world today, then we have to accept this challenge and provide the opportunity for employment for all of our people, not only during a war but during peace.

Indeed, Mr. Speaker, that crisis of war that I have spoken about, in 1914, and again in 1939, is still here. We have a different war today, but it is equally as challenging—it is the crisis of an economic war.

I say that if governments, that if democracies can put people to work, provide the money simply for the purpose of destruction, then democracies—if they are to survive—must provide the money for the opportunity of employment during peace. As I said, crash programmes are very, very unfortunate.

On the other hand, at a time such as this, surely something must be done to help the immediate situation. As I also mentioned before, why were such things as highways—which may be regarded as a crash programme—not started months ago? I will never know.

There has been unemployment for a long, long time; but, in any event, we cannot start yesterday.

Why not start tomorrow, and get these roads built in the province of Ontario, roads that we, through studies, know must be built during the next number of years? There are hospitals that must be built; there are schools that must be built; we know they are needed.

Our hon. friends across the way suggested that the figures we quote are simply “fears”—that is the word for it—and that we are talking about gloom and doom, and so on. I suggest to the hon. members, Mr. Speaker, that what we, on this side, are attempting to do is to bring facts to this Legislature.

One of the things which I believe should be done—I am only going to quote two, and one of them is of rather a serious nature, and perhaps no one else, for all I know, may agree with me in this assembly—is to ease the unemployment problem.

I agree wholeheartedly with the hon. Prime Minister of the province of Ontario, and many of the hon. members who sit with him, and many of these hon. members in the assembly, that there is no justification whatsoever as to why our dollar should be listed at higher than par over the American dollar.

Those of us who are in tourist centres know full well that it is very embarrassing to us when an American comes in to the counter—in my own particular business, the dairy business—to have to take 3 or 4 cents off his dollar. If that happens to me, where we handle only a few thousand American dollars each summer, how much more embarrassing must it be to those people whom the hon. member for Kenora was talking about this afternoon—the people who sell paper products to our American friends?

It must be very, very hard, and an economic unreality, to have to be paid in American dollars that are not as high in value, when they are paying their wages and their capital investment in Canadian dollars.

I suggest that this should be done, and I am amused that the federal hon. Minister of Finance (Mr. Fleming) says that this is not the government's problem. Of course it is the government's problem. It is the Bank of Canada's—because they run the show.

I suggest that when the people of Canada voted Rt. hon. Mr. Diefenbaker and his cabinet into office 2 or 3 years ago, that they voted them in to run this show here, and that they should show the officials of the Bank of Canada who is the boss. If they really believe that the American dollar should be put

on a par with the Canadian dollar, they should go ahead and do it.

Personally, I agree with many people in this province, and across Canada, who feel that this is one thing that should be done.

Mr. Speaker, I am going to say something which may not meet with the approval of many hon. members here. I remember, during the last war particularly, when we came to the great crisis of war we found that labour was controlled and, on the other hand, capital was controlled. In my opinion, we are in the same kind of a crisis today. Although we are not fighting with weapons, we are fighting with economics.

We are an exporting nation, there is no question about that whatsoever. We must export; we must realize that the wheat we grow in the western provinces must get out of this country because we only have 17 or 18 million people to eat it.

The United States, on the other hand, which is a high-cost nation such as ourselves, have 180 million people to eat the food; and 80 per cent of the food they produce is eaten right in the United States of America. It is not so with us.

Therefore, in order to export our goods, it is plain as can be that the cost of our goods must be at a level where we can sell them.

I remember one of the speeches I have enjoyed very much was given at an economic conference in this province, where the federal hon. Minister of Trade and Commerce voiced thoughts such as that—that we must meet this foreign competition and that our costs must come down. How are we going to do it?

It seems that we are just in one continual round of inflation. As soon as our labour unions can get an increase that will pay 10 cents an hour, the price of a Chevrolet car goes up automatically; automatically the price of Massey-Harris farm machinery goes up; and as soon as that goes up something else goes up; the cost of food goes up a little bit.

Then, 6 months or a year afterwards, another strike comes along and labour costs go higher; and consequently we have got to the point where, in many instances, not only can we not sell our goods overseas, but we cannot even sell our goods here in the province of Ontario.

I will just quote one company. My father ran a general store and, for years, when I was a boy, he sold what was then known as gutta percha rubbers.

The Gutta Percha Company used to make rubber boots, and all sorts of rubber materials. The last time I read of them they employed

some 1,248 men. During the past year, they have gone out of business, lock, stock and barrel for the simple reason that they cannot manufacture rubber goods and compete.

They not only stopped business but they sold their plants, as I understand it. When we reach a point such as that we had better hold our breath and take a look around.

Not only did that happen with the Gutta Percha Rubber Company but it has happened to dozens of other companies in the province of Ontario; and is going to happen again. It is going to keep on going on and, consequently, as these firms close up, the unemployment problem will become greater.

I suggest to the hon. members that we are in a crisis now equally as grave as we were in during World War I and World War II.

In the last war, particularly—with which I am more familiar—the government of this country, in their wisdom, immediately controlled everything. They pulled in their economists and they controlled the price of labour; and, on the other hand, they controlled the price at which management could sell their products.

At the end of the war, when I came back from overseas, I heard many people who said: "We are against controls, and the sooner we get out of controls the better it will be for this country."

But today, Mr. Speaker, in talking to people—the only people I talk to in a business line are small businessmen—but in talking to small businessmen I find that there are many who feel that the time has come when we should have controls once more.

Hon. A. K. Roberts (Attorney-General): Does the hon. member want them?

Mr. Whicher: I do want them! To me, Mr. Speaker, it is senseless for us to try to keep all the freedom that we have as citizens of a democracy if, in the end, we are going to lose that freedom. I say it is better now, when we are in a crisis, to bring controls back again for a certain period of time, whatever that period may be—it would depend on the economics of this country.

Perhaps we would only have to have them for a year or a couple of years. Perhaps it would not be necessary that we have them that long.

In any event, today I feel that the government of this country—I know the province of Ontario cannot do much about it except suggest to the powers in Ottawa—that labour should be frozen as of tomorrow.

I believe, on the other hand, that if they

are going to control the price of labour for the General Motors Corporation from Ottawa, that then, too, the Ottawa government should tell the owners of General Motors how much they can sell their motor cars for and all their products.

Do hon. members not feel that management—I know this would be a hard goal to start with—that management would be happy to know that for the next year they are going to pay so much for their labour? On the other hand, do hon. members not feel labour would be happy to know that for the next year they are only going to pay so much for their cars or their trucks or their loaf of bread or their suit of clothes?

Hon. Mr. Roberts: Is the hon. member speaking for his party on this?

Mr. Whicher: I am speaking for myself.

Hon. A. Grossman (Minister without Portfolio): During the war, the manufacturers were getting richer and richer because of those controls.

Mr. Whicher: All right, I am speaking for myself, anyway.

Mr. Speaker, I feel that if this were done, then it would be possible for the government, perhaps a year hence or at some unstated period, to lower the cost. I feel that labour would be appreciative and would be glad to perhaps take 5 per cent less if the cost of the manufactured article was lower to the country. I feel that if that had been done in the instance of the company that I quoted—for example, Gutta Percha—that they would still be able to sell their rubber boots in this country.

I know perfectly well, Mr. Speaker, there will be many hon. members in this assembly who do not agree with me. I have no quarrel, whatsoever with them. I am only bringing forth this point because I am sure that we are in a very long period of recession.

I do not share the optimism that some of the hon. members of this assembly have shown. I would like to share it. Nobody wants to see things go ahead any more than I do myself.

But when companies are going out of business in this province of Ontario because they cannot sell their goods; when rubber goods can be brought all the way from Hong Kong cheaper than they can be manufactured here; when they can bring textiles from practically anywhere in the world cheaper than we can produce them here in many instances; when there are many manufactured

products that are coming into this province and Canada because our own are too expensive, then it is high time, Mr. Speaker, that you and I took a look at it.

I feel that, after a year or so, when the government—it would have to be the federal government of course—brought in economists to look the situation over, perhaps they could lower the price.

This may be a heaven that I am looking at, but perhaps we could cut labour costs by 10 per cent and cut management costs and the costs of material by a certain percentage, and then we could sell some of these products. Perhaps our freight rates would not be so high from the western provinces, perhaps we could meet the narrow price on wheat and get rid of it instead of having our elevators stuffed with millions of bushels as they have been for some time.

Now, Mr. Speaker, I realize it is not possible for the government of the province of Ontario to take this action. But I bring it forth as an idea because I honestly feel that this is what is going to have to be done in the next few years. It might just as well be done now. By so doing, perhaps we can enter into the world's trade again in the manner in which we have done in the years past, and that by selling our goods overseas we can get these men back to work again.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, when the hon. Minister of Municipal Affairs (Mr. Warrender) was speaking in this debate some days ago, he stated that the initiative was left to the municipalities. And I want to say, right now, I believe that is the reason why the winter works programme has failed this last two years, and will fail again this winter.

Hon. W. K. Warrender (Minister of Municipal Affairs): The hon. member is just as wrong as he can be.

Mr. Thomas: Now, just a minute. I will give some figures that will substantiate what I am saying. Perhaps the hon. Minister has not bothered to look them up, I do not know.

Of our 3 levels of government, the municipalities are the first to feel the impact of any unemployment. They feel the impact in the increased number of families on relief, and in the increasing number of property owners unable to pay their taxes. In other words, at precisely the time when their income decreases more demands are made on the municipal treasury.

No wonder the winter works programme has so far proven to be a dismal failure.

No wonder it has failed to provide jobs to any significant extent. The fact is that the municipalities could not afford it; and this year is no exception.

A week ago, I sat down and delved through the statistical report of The Department of Municipal Affairs. The annual report published by the department reveals the total taxable assessment of all municipalities to be \$8,668,093,185. Yet the debenture debt is \$1,305,003,000.

Now I suggest, Mr. Speaker, that that is too close to the 20 per cent debenture debt, which is dangerous when we consider the taxable assessment of the municipalities.

But I suggest to the hon. Minister the situation gets even worse when we look at our cities.

Again quoting from the 1959 annual report, page 7 shows the total taxable assessment of all Ontario cities—with the exception of Metropolitan Toronto—to be \$2,467,175,705. And, turning to page 9, we find the total liabilities for that group to be \$551,777,582—well over the dangerous 20 per cent mark.

Can we, in all fairness, ask the municipalities to go deeper into debt just to bail out the federal and provincial governments?

Mr. Speaker, I referred earlier to the increasing number of property owners unable to pay their taxes because of loss of income. Here is what the 1959 annual report has to say about that.

Page 19 gives a comparative summary of outstanding taxes, starting with the year 1934. Hon. members will remember that this was the middle of the depression and outstanding taxes that year amounted to \$58,188,000. Moving ahead to 1949—15 years later and a year of full employment and of boom—outstanding taxes came to \$16,221,000.

Since then, there has been a steady increase in outstanding taxes, which last year amounted to \$53,826,000; and I am afraid that 1960 may see us back with 1934 depression figures.

These are the figures which the government should bear in mind when it asks the municipalities—the home-owners—to accept more and more of the financial burden which properly belongs to the two senior governments.

The unemployment crisis is too serious, its toll in human misery too great, for this government to continue to play “passing the buck.” It is time this government shouldered its responsibilities in this field and, by careful planning and increased revenues to the municipalities, enabled our local governments

to play their part in coping with the unemployment problem.

I think it is about time we took a good look at the economic situation in Ontario today.

Ours is a highly industrialized province, and the immediate postwar years saw a rapid expansion of our industries—perhaps some may have been too rapid. And, although the government likes to take credit for Ontario's increased prosperity during those years, I venture to say that it would have taken place in any case had this government not been in power.

The government deserves no credit for something that would have taken place in any case. What it should have done during those years of prosperity was to plan ahead, to ensure that expansion in the manufacturing industry kept up with expansion in the primary industry. It should have played a greater part in the location of industry to avoid the present concentration in the south and the virtual neglect of the north.

But the government, Mr. Speaker, did not do those things. Now it must accept a major share of the blame for the present unemployment crisis.

Their lack of economic planning—and with all due respect to the hon. leader of the Opposition, who seems to recoil with horror from these two words, you cannot “co-ordinate” until you have “planned”—is at the root of the industrial crisis in which we find ourselves today.

So, once more, we hear the old cry, “labour costs are pricing us out of world markets.” We have heard this before and I suppose we will hear it again.

It is the easiest thing in the world to blame labour. It saves industry the unpleasant task of taking a good look at itself and discovering that administered prices and exorbitant profits are the chief culprits, and not labour costs.

But what are the facts?

A study by the economic and research branch of The Department of Labour turned up the information that wage costs actually declined from 15.7 per cent of the gross value of output in 1949, to 15 per cent in 1958. The cost of raw material dropped during the same period from 54.8 per cent to 53.3 per cent.

But I want the hon. members to take notice of this: residual costs, which include profits, capital allowances, salaries and other expenses, increased from 27 per cent to 29.2 per cent.

I am sure that all hon. members of this assembly read with great interest a recent statement by Mr. J. S. Duncan, chairman of the Hydro-Electric Power Commission of Ontario.

While I do not always agree with Mr. Duncan, I must say that I believe he is intensely interested in the development of our country and has devoted a great deal of time and study to the problem of industrial expansion. I believe he has dealt very effectively with the question of competition from low-wage countries, and I am indebted to him for the following figures.

Our imports from these low-wage countries in 1959 came to only \$826 million and yet, from the highest wage rate area in the world—the United States of America—we imported \$3,829 million worth of goods. In the following quotation, Mr. Duncan presents the very lucid and enlightening figures, and I quote:

What is being suggested is that the 22 per cent imported from low-wage countries is doing the damage to our industries, and not the 78 per cent imported from across the border.

I think the time has arrived for industry, and the distributing agencies, to examine themselves critically; for today, I think, we have too few producers and too many distributors. Some distributing agencies today are taking more of the consumer dollar than the producer. This is very common and I do not think I need dwell on that.

The argument of the manufacturers that labour costs are pricing us out of the international market is fallacious.

I believe, also, that we are ignoring the home market; for, by not increasing the purchasing power of those on unemployment insurance, pensions, mothers' allowances, and so on, we are ignoring a market for our Canadian products.

It stands to reason that the bare existence allowance, now being paid, decreases rather than increases purchasing power.

I believe that, if the present unemployment trend continues, it will not be long before it is felt all across this country. In other words, such a reduction in the weekly pay envelopes of those unemployed—approximately 10 per cent of the working population—will soon have a disastrous effect on our economy.

I believe the winter works programme will not be put into effect by many of the municipalities for the simple reason that they cannot afford it. And, Mr. Speaker, in the light of the figures I have just given to you, I think when the hon. Minister said it was left to the initiative of the municipalities, and

when he came across with that gem which he sometimes does—if they had received requests from the municipalities for \$500 million worth of projects, they would be met—I think it shows how ridiculous that statement was.

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, I would like to enlarge on the remarks I made the other day, before the orders of the day, in answer to a question, to give the hon. members some information about what is being done in The Department of Education as far as unemployment is concerned.

It seems to me that the real problem, of course, in dealing with education and the unemployed is to so educate our young people that they do not become unemployed—rather than waiting until they are unemployed and then going into programmes of retraining.

We have in our school system, as it exists in the province today, a very wide and broad programme of vocational training. There are 55 vocational schools in the province which are teaching commercial and technical courses to an enrolment of about 60,000 day-pupils.

These courses lead to a diploma in grade 12, and include such courses as auto mechanics, applied electricity, applied electronics, chemistry, draughting, electrical and steam operating, foundry practice, mining, plumbing, plastics, printing, sheet metal work and practice, tailoring, watchmaking, welding, cabinet-making, carpentry, pattern-making, accountancy, merchandising, general business and, of course, a full range of secretarial and commercial courses for young ladies.

In addition to these courses we have approximately 100,000 people attending night school throughout the province, making use of the facilities that each board of education has in the province. So in this respect I think hon. members can see that a very large effort is being made to make sure that young people who do not wish to follow an academic course have the opportunity to learn these various trades that I have mentioned.

In addition, we have started a two-year limited vocational course. One of the problems with this type of course, Mr. Speaker, is the need for a fairly large enrolment because of the expense of shops and equipment. So we have introduced this two-year limited vocational course, which we can give in grades 9 and 10. For the balance of the course the young people go to the nearest

large technical school which has a complete course to grade 12 or grade 13.

In addition to this, Mr. Speaker, we have of course our own provincial technological institutes of which there is one in Windsor, one in Hamilton, one in Toronto and one in Ottawa. I will have a little more to say about these institutes in a few moments, but we have enrolled in the 4 schools, at the moment, 3,000 students. We are going ahead with a programme of expansion of these schools and we do hope that from them will come the trained technicians that it appears industry will need in this country in the years that lie ahead.

In addition in our day-to-day work we have the provincial institute of trades, which is used to train apprentices. In the academic year 1958-1959—in that academic year—more than 2,000 persons graduated from that school. In addition, there are 1,600 people attending night school in an average winter programme and we are presently studying the possibility of expanding the size of this institute.

Now that is a very brief picture of what is being done across the province.

Perhaps I could speak of schedule M which has had a certain amount of publicity recently.

Schedule M really is part of a special vocational training project agreement entered into between the federal government and the provincial government. The present agreement lasts until March 31, 1964. It applies, generally, to full-time training and not to evening classes and really applies to training periods up to a maximum of 12 months for either males or females over 16 years of age. So, it can be seen, it does not fit into our normal school programme as the school-leaving age is 16, but takes over above that cut-off spot.

Under this schedule the federal government will pay 50 per cent of the costs and then, if we reach a certain minimum of training that percentage goes up to 75 per cent. For this province the goal of 75 per cent is greater, I am afraid, than we will reach, at least this year. Basically that is what the schedule is supposed to do. Over the years it has been used, although not to any great extent. In Toronto, for instance, in 1956 there were courses given and in Windsor in 1957 and 1958, and also courses at the Lakehead in 1958; and then another course was given in Windsor in 1959. There is a course underway in the city of Windsor at the present time.

In our attempt to use schedule M and

make use of the assistance the federal government has offered, we work through a local committee and at the present time there are such committees—I will just name these places so hon. members will have the information—there is a committee operating in Cornwall, there is a committee set up in St. Catharines and Brantford and one proposed for Elliot Lake. We had a request from Huntsville—for an industry went out of business there—but I think the local people have handled the situation themselves. More recently we have had requests from Atikokan and Deloro which have come through the united steelworkers of America. We are investigating both these centres.

Our method of operation is as follows:

We establish a local committee, generally consisting of the mayor and any councillors that he might want, somebody from the local board of education, somebody from The Department of Public Welfare and somebody from the national employment service. Then we have officials of The Department of Education to act in an advisory fashion. This committee must decide the programme. This is the reason we work with a local committee, as they know through the national employment service who in the community is unemployed; they know what job opportunities there may be in that community; what type of training is required and how many people are prepared to accept it. We find that it is our task to find the accommodation, through the local school board if that is possible, and provide the teachers and see that the training is done from therein.

There is another angle to schedule M. This was announced in the speech from the Throne in Ottawa, and I believe this bill received second reading in Ottawa last week. The federal government has agreed to pay 75 per cent of the costs of building—the capital costs—of training institutes and technological institutes.

We intend to take advantage of this offer they have made. We intend to build a new building for the eastern institute of technology which is situated in Ottawa. This institute has been operating in quarters rented from the Ottawa board of education. It has functioned there very successfully for the last 4 years. We are now satisfied that it will serve a great function, not only for the area of Ottawa, but for the whole Ottawa valley and indeed all of eastern Ontario.

We intend to proceed under this bill—which I do not think has yet received Royal assent—but under that bill this money must be spent and the construction completed by March 31, 1963. That means we will have to proceed

immediately and that we intend to do. The building for the eastern Ontario institute of technology will cost about \$2 million and we anticipate that within 6 years there should be 1,000 students attending. It will give technical courses.

Of course the final planning has not been completed but in view of what has gone on heretofore in Ottawa, we are satisfied there is plenty of room in that part of the province for this institution.

We are also expanding—

Mr. L. Troy (Nipissing): Would the hon. Minister allow a question on these institutes?

Hon. Mr. Robarts: Yes.

Mr. Troy: As he knows, in Kirkland Lake there was to be one of these institutes set up by The Department of Education.

Hon. Mr. Robarts: I will come to that.

Mr. Troy: Thank you very much. I am glad of that.

Hon. Mr. Robarts: In the Windsor area, experience shows that these institutes take a little time because they are new. It is a new concept and it has to be sold as an idea to parents and students. But the rate of growth is very steady and so it is in Windsor.

We are spending \$180,000 there this year to put in some additional classrooms and if this progresses, as we assume it will, and this offer is still open after 1963, perhaps we will be able in the future to take advantage of this in that area as well.

In any event, at the moment we have the proper accommodation there. We are putting in some extra classrooms and we are quite happy about it.

As far as Kirkland Lake is concerned, we had a survey done there and we think that it would be well served with an institute of this type. We are going ahead immediately to obtain quarters and get an institute going which should start operating next fall.

We will probably start in Kirkland Lake giving only the first year, and it may be that it will be necessary for the students to finish their succeeding years either at Ryerson or in Ottawa.

But these are details which we will work out as we go along. The point is that we are definitely going to go ahead and set up an institute in Kirkland Lake.

We also have a large expansion programme under way at the Ryerson institute of

technology in Toronto. We anticipate we will spend about \$6 million there in the next—I should think it will take 5 years perhaps. The work is being planned and we have divided it into two stages. We anticipate in due course that Ryerson will be handling about 4,000 day-pupils each year in addition to the night course.

Of course the building we are planning to build there also is eligible for the 75 per cent grant, so we are taking full advantage of the offer as far as Ryerson is concerned.

Mr. Thompson: Mr. Speaker, may I ask the hon. Minister a question? Have the standards of admission at Ryerson been raised within the past two years?

Hon. Mr. Robarts: No, they have not.

That is what we are doing. I just want to add this: We had a meeting here with all the officials of The Department of Education and the federal hon. Minister of Labour and his staff in which we went over this whole question of training of unemployed. There are some very large problems in it, as I think the hon. members can see.

First, our province from an industrial point of view is spread out. Our industry, and therefore our unemployment is spread out from border to border.

The real problem is to find in any community those who are unemployed and who are, first, prepared to undergo training and are able to take training. Then, of course, we must know what we are training them for. Training for training's sake is completely abortive. We must know what jobs lie at the end of the training programme.

Then we have a very large problem of space. As I have already said, we have 100,000 people in the province who are using the schools of our public school system in the evenings.

Many communities have built up very large night training courses. It is not easy to go in and disturb these courses already operating, for the purpose of training unemployed, but I would like to point out some of the night work that is being done.

I obtained a list of some of these night school classes, for instance, that are given at the central technical school here in Toronto.

I find woodwork, pattern-making, sheet metal, carpentry, cabinet-making, plumbing, steamfitting, aeroplane mechanics, architecture, structure steel detailing, structural design, machine drawing, tool, jig and fixture design, estimating, surveying, blueprint reading and draughting.

Then there are some other courses that are more in the nature of hobbies. But there are all types: Chemistry, electroplating, glass blowing, petroleum technology, tailoring.

My purpose in detailing these courses is to point out that, while this may not directly be retraining of unemployed, there is a great deal of adult education going on in our province and it does not really get a great deal of attention at any time.

As a result of looking into these things, I thought the hon. members might be interested to know that there are tens of thousands of people in this province working every night to upgrade themselves and to acquire skills which they will use in our business and commercial life. These skills include radio repair, television repair, wireless operating, and so on.

Mr. Thompson: Is there a demand for aeroplane mechanics? Is there a demand for them today?

Hon. Mr. Robarts: For aeroplane mechanics? I do not know. I would assume there is or these people would not take the course. I feel they are intelligent enough to take something they will be able to use.

Just to complete this story, I was very interested in talking to the hon. federal Minister of Labour. He told me about what was going on in some of the western provinces. I felt probably the easiest way to find out what they were doing would be to send some of our people out there and I have had two men from the department covering all the western provinces. They returned the latter part of last week and I am waiting for a report from them.

I can assure the hon. members of this House that we intend to develop this programme and take full advantage of the financial opportunities that have been offered to us by Ottawa. Not only that, but it seems to me that perhaps we are entering a new era, and this whole question of technical training and retraining of those who might find themselves as permanently unemployable will have to be looked at, and will have to be dealt with.

Mr. Troy: Mr. Speaker: may I ask the hon. Minister a question with regard to technical institutes? In my own city of North Bay I understand that there is to be a technical addition to the Chippewa secondary school.

Will that addition come under the new regulations as set out by the hon. federal Minister of Labour?

Hon. Mr. Robarts: Mr. Speaker, that is a good question. I really cannot answer that.

There was a delegation from the Toronto board of education which went to Ottawa to see the hon. federal Minister of Labour. I was in touch with him before they left, and they had a very similar question.

It seems to me that this scheme is set up to establish a financial partnership, if I may put it that way, between the federal government and the provincial government—not between the federal government and any municipality.

However, it might be that it can be worked through The Department of Education in some fashion, but it does not appear to me that it can. On the other hand, the Toronto board and ourselves are taking a look at it to see if there is any way we can do it.

Mr. R. C. Edwards (Wentworth): Would the hon. Minister permit another question? Mention was made of these night courses, these supplementary courses. In the course of the discussion the matter of aeroplane mechanics was mentioned.

I would like to ask the hon. Minister: Are these courses supplied, are they provided on the basis of a planned need or rather on a basis of indicated desire of those taking the courses?

In other words, on what basis are these courses planned? Is it on a popularity basis or is it on a planned need as indicated by studies, perhaps from The Department of Education or The Department of Economics?

What is the basis on which these courses are provided? That is what I am trying to ask. Do I make myself clear?

Hon. Mr. Robarts: Yes. Mr. Speaker, these courses that I read out, that are given at the central technical school, are courses that are designed and prepared by the Toronto board of education which, of course, owns and operates the school in which they are given.

They plan these courses. I do not know that it is a question of popularity. I think it is a question of finding out what people want and then providing it for them. This, in many cases, is a question of experience over a certain number of years and, of course, they advertise these courses. If hon. members notice, they appear in the newspapers at certain times of the year. In many of our municipalities, the local school board puts an advertisement in the papers saying they are offering certain courses. They will provide the courses for which they get requests.

There is no central clearing house, if I may

put it that way, that I know of. It is handled in each instance, by the local board of education.

Mr. R. C. Edwards: I would assume it should be in co-operation with The Department of Labour, for instance. We are told that, due to automation and other reasons, there is to be a great gap in the number of untrained people. That is the point I was trying to get at.

Is it likely that these would be sponsored in co-operation with The Department of Labour—with their knowledge?

Hon. Mr. Robarts: Well, yes, that will have to come, I would think, if we are going to attack this problem of the people who are currently unemployed because they are not trained to do any specific job.

The reason I mentioned these night school courses was simply to illustrate the fact that the real cure for this thing is to get people trained while they are on the job, or while they are still of school age; and I was pointing out that there is a terrific amount of activity in the province which does not necessarily receive a lot of publicity. But, in order to deal with the specific problem of the untrained, there simply has to be co-operation between the various levels of government.

As I said, the national employment service is an integral part of any such scheme because they know: (a) who is unemployed; (b) where they came from—in other words, what jobs they formerly had; and (c) what job opportunities are available—so that they do not train steamfitters unless there are some jobs available at the other end.

Does the hon. member see what I mean—that co-operation between these various levels is going to be necessary if we are to deal with this thing in any kind of a businesslike fashion?

Mr. Troy: May I ask another question, Mr. Speaker, in regard to this schedule M? Has there been no request from the city of North Bay in regard to implementing this schedule M in that city?

I know the mayor of that city, in his speech before the ratepayers the other night, said that anybody who wanted a job in the area could get one. Apparently he does not know, has not been down to the unemployment insurance office, because there were 1,400 people out of work. These included a great number of former employees of the government road department, and a great number of former employees of the beneficent Canadian Pacific Railway, and also the government-owned Canadian National Railways.

Many of these have been in the employ of the railroad for some 20-odd years, and now they are out of work and it seems to me that great—

An hon. member: Who is asking a question—or what is the hon. member doing?

Hon. Mr. Frost: Is it a double-barrelled question or what?

Mr. Troy: The city of North Bay should have been bound to see—

Interjections by several hon. members.

Mr. Troy: We have, in that city, a technical school which offers courses in auto mechanics, motor mechanics, woodworking, draughting, electronics, and so on—

Hon. Mr. Robarts: Mr. Speaker, I believe there was a question away back at the beginning. To the best of my knowledge we have had no request from North Bay, and I am quite sure I would know if we had, but we would be more than happy to try to help if we can, if the hon. member wants to tell his mayor that. I have a letter here, if I can find it, the hon. member might be interested in.

Interjections by hon. members.

Hon. Mr. Robarts: The hon. Prime Minister raises the point that we can get one of these schemes under way very rapidly. There is not a long time lag in it. On the other hand, the impetus really must come from the local level, because they are the people who know the problem in their own community. I cannot find—

Mr. Troy: There will be a new mayor tonight anyway, so—

Hon. Mr. Robarts: We had a request from Elliot Lake. There are some people there who are unemployed and who applied for jobs and found they could not get them because they lacked certain training. We got in touch with the local school board and at the present moment there are 480 people registered in the night school that has been set up as a result of this request. This is being run by the local board of education. This letter is from the chairman of the school board. He is writing to say how pleased he is at what they have been able to do, and he says:

The draughting and blueprinting group has grown in attendance to over 175 and we have been hard pressed to find schools and equipment on such short notice.

This is dated November 28. We were able to get this under way and there are close to 500 men in Elliot Lake taking training at night. That was done in a matter of a week or so. So this thing can build up pretty quickly.

Mr. Troy: Well, I will write the new mayor tomorrow and get this thing fixed up.

Hon. Mr. Warrender: Mr. Speaker, I should like to say a few words, if I may, on the employment and unemployment situation here in the province.

First of all, I would like to say a few words of reply to the hon. member for Oshawa, whom I could advise—

Mr. Thomas: Mr. Speaker, on a point of order.

I think the 3 Whips got together this afternoon and agreed on a list. Where are we going? There is no order about this! I would like to ask direction from you, sir, if the hon. member for High Park (Mr. Cowling) and the hon. member for Brantford (Mr. Gordon) have re-done the list—

Hon. Mr. Frost: We are trying to give the hon. members information.

Mr. Thomas: On our list we received this afternoon, Mr. Speaker, the hon. Minister of Education was not on at all and he came in. So I do not know—

Hon. Mr. Warrender: Mr. Speaker, it is indicated to me by our Whip it is permissible to go on, so if you do not mind, sir, I shall proceed. As I was saying, one has to know the—

Interjections by several hon. members.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, on a point of order. Can you tell us whether the hon. Minister has already participated in this debate?

An hon. member: Yes, he has.

Hon. Mr. Warrender: I did not participate in the debate. I answered a question posed to me by the hon. member for York South.

Now, if I may proceed again, Mr. Speaker. One has to understand the ground rules for this winter works programme to have a full understanding of it. I have explained this before in the House, but apparently the hon. member for Oshawa was just not listening or did not care or just wanted to take a poke at me—

Mr. Thomas: I was listening, I was listening.

Hon. Mr. Warrender: It seems that the hon. member wanted to take a poke at me personally. He has had his poke. Now I want to give him some information. This winter works programme is working out extremely well. I cannot give the details up to date, but I gave some the other day in reply to a question posed by his own hon. leader. The applications are flooding in.

Mr. Wintermeyer: Mr. Speaker, on a point of order, I believe the hon. Minister has spoken not in response to a question, but in great detail on this very debate.

An hon. member: Does he not want this information?

Mr. Wintermeyer: Will the Speaker please make a ruling? Of course, if he wants to make some reply to a specific question, fine. But I do think we should have some ruling on this matter so that we will know the manner in which we are to proceed.

Hon. Mr. Warrender: Mr. Speaker, I am merely replying to the question raised by the hon. member for Oshawa and then I want to speak about sewage, which is related to—

Interjections by several hon. members.

Mr. Wintermeyer: Mr. Speaker, I do not want to deny the hon. Minister an opportunity of expressing himself, but I do think that his expressions should be—

Interjections by several hon. members.

Mr. Speaker: It is my recollection that the Minister did speak already on this matter. If that is the case, and I believe it is, he will be permitted to make some brief explanation or ask a question of other members at this point.

Hon. Mr. Warrender: Mr. Speaker, may I do this then? We all want to get information about this sewage programme, I presume, and I wanted to give the latest information.

Interjections by several hon. members.

Hon. Mr. Frost: Mr. Speaker, rather than interrupt the placid course this debate has been taking, where great information has been given to those who require it and need it; rather than interject controversy into it, if there is any doubt that the hon. Minister

has spoken, I will arrange to have the hon. Provincial Treasurer (Mr. Allan) speak. He has not spoken and he can give this important information to the House which will indicate how we are proceeding apace to put people to work. I would be glad to arrange that later. If the hon. members would like to delay that important information, I will try to have it presented after the recess this evening.

Hon. Mr. Warrender: I thought this was important, but apparently the hon. members do not want to hear about it.

Interjections by several hon. members.

Mr. Speaker: Order. Next speaker.

Hon. F. M. Cass (Minister of Highways): Mr. Speaker, I am pleased to have been accorded a position in this debate and to have the hon. members opposite satisfied to listen to what they can see every day throughout this province, that is the employment and the work which is provided through the road-building efforts of not only this government but of the junior governments in all the municipalities and of the senior government, the federal government.

Really, sir, there is very little that I could add to what they can observe with their own eyes and what they see each day as they come and go to and from this assembly.

I understand, Mr. Speaker, that there are some good roads even up in the snow belt upon which certain hon. members of this House travel with great safety and great expedition. I am sure they want to see us continue to provide those roads for the people of that and all other areas of Ontario.

The record of this government, Mr. Speaker, with respect to highways, can be seen by all of us. One of the important things in modern life—one of the hon. members opposite referred to the number of people who are now looking for work because certain other methods of transportation have fallen upon evil days—is that motor vehicle transportation has taken the place of the old rail transportation in great areas of our province.

As one looks anywhere in this province of ours, he will see that responsibility has been accepted by the people of Ontario, by previous governments as well as this government in Ontario, and we are providing the necessary arteries for the transport of goods and people.

As you drive out, Mr. Speaker, on any main artery, the Queen Elizabeth way, highway

No. 401, or highway No. 2—any of these highways—you will see growing up along the road, many, many establishments, large establishments and small establishments, commercial establishments, industrial establishments.

These are the things, Mr. Speaker, that provide employment. It is the duty of any government, including this government, to provide the right climate and the right environment for these enterprises which produce employment. I say that here the government of this province, and specifically the department of which I have the honour to be head at the present time, has been doing more than its fair share of providing this climate and this environment for industry.

In the future it is the policy of my department to carry on as we have in the past and to make available more and better arteries for the transport of goods and people. I can assure you, sir, that as in the past, if everyone else and all other segments of our society do likewise, this expansion along the highways of Ontario—which as I have mentioned provides employment for people and income—will continue and will follow these new and improved arteries of commerce.

Over the past 5 years, Mr. Speaker, the road construction industry has expanded tremendously. This is because this government, in view of the demands, the necessity and the duty to provide access for these new plants and good transportation for their products, this department, or the government through this department, has made available large sums of money for highway construction.

The effect of that has been quite tremendous. Not only, Mr. Speaker, have we had a lot of new mileage of wonderful roads, but there has been a lot of employment.

The Department of Highways is one of the large employers of labour in this province. The people who work for it—independent contractors who build roads—are large employers of labour. The people who supply the materials—the asphalt, the cement, the fence posts, the wire and the gravel—are large employers of labour.

The budget which is approved by this House, Mr. Speaker, each year, for my department, starts an ever-widening circle of ripples which provide employment throughout the length and the breadth of this great province. I listened intently to the Throne speech a short time ago in this assembly, and found there what I have just said—that the highway programme for this province will be expanded.

I need not elaborate any further on what that will mean to the economy of this province, to the employment situation, in fact to the general well-being of Ontario and her people.

We realize in The Department of Highways—as is realized on both sides of this House—that there is a certain amount of unemployment about which perhaps something can be done in our province at the present time. We have tried to attack it from several angles.

First of all—and those who watch the calling of contracts by The Department of Highways will notice it—we have accelerated the call of ordinary road-building contracts in the late summer and the fall. This gives the contractor a chance to get on the job in the fall and get it started. If it is up in the area of the hon. member for Nipissing, there can be some brushing and clearing and grubbing done in the wintertime. If it is down in my area, it is probably drainage and similar work that can be done. But there is a certain amount of work that can be done in the wintertime to provide labour. So the fall calling of these contracts, which we adopted in small measure a year ago and in greater measure this year, is going to do something to provide employment, through the winter, of road construction workers who normally would be laid off.

Then we are studying the possibility of calling contracts so that work can go right through the winter. Mr. Speaker, that is a difficult problem because it is a matter of economics, and we feel that within reasonable limits we are prepared to have all the jobs on the highways, which can be done just as well in the winter as in the summer, called so that work can be done on them in the winter.

True, it costs more, but we are prepared to believe it is better to have people employed; prepared to believe that perhaps it is better to get a few less miles per \$100,000 of road from our budget than to have some people unemployed in the wintertime who might otherwise be at work.

Then we have rearranged the calling of our structure contracts, our bridges of all sizes, so that they will be worked on all during the winter months. We have called some already this year, and we are calling more between now and the end of December; and they all contain conditions requiring the contractor to get to work on them and provide employment during the winter.

In structures, a great deal of the employment is in the initial scaffolding, initial ditching and draining, and what-not that has

to go on; so in that respect we believe there will be suitable employment furnished over and above the normal course.

Then we have in the north country, mostly north of highway No. 7—in highway parlance that is northern Ontario—a great deal of clearing to be done, some grading and some gravelling which can be brought into being. In fact, we have a programme of some \$2.5 million for winter works through the operations branch of The Department of Highways.

This includes pre-contract—that is, before the main contract is called—projects of clearing; it includes picnic sites which I mentioned a short time ago; and it will be in every district in the province, but mainly in northern Ontario.

There will be employed on that alone, some 1,800 men, of whom well over 1,000 are already employed. Instructions were given by my department, some 3 weeks ago, to start this programme and get the men to work so that they could have a pay cheque before Christmas. And well over 1,000 of the people who are working on The Department of Highways' winter work programme are working so that they will be able to have a cheque in time to help Santa Claus this Christmas.

Then, Mr. Speaker, the hon. Minister of Municipal Affairs, earlier, told the House about the agreements with the federal authorities for picnic sites and for resources roads; and I would merely mention that we will spend some \$130,900 on picnic sites along our highways. This will be shared, as to cost, equally by the federal government. These will not be confined to the north country; they will be all over our highway system.

In addition, there is the \$15 million programme of resources roads which is proving to be very satisfactory, and is providing a great deal of labour in the north country. At the present time we have something like \$3 million worth of contracts under way, a great many of which are contracts requiring labour.

All this work is in addition to the 1,800 more jobs that I mentioned before.

So, Mr. Speaker, I could go on and perhaps tell the hon. members of the House the various works planned to be done in their districts. That, I do not think, would gain us anything, but if any hon. member wishes to have it, I would be glad to tell him what is being done in his area.

As I said when I started this speech, hon. members undoubtedly will see many men working on our projects as they drive home at

the end of this week, when the House rises for the Christmas recess.

The one thing I would like to leave with the House is the fact that The Department of Highways and its Minister are not here talking about something we are going to do—I am here, sir, telling hon. members what is going on now, and about the men who are employed now, as well as the men who will be employed later. I am telling them about the contracts which have been let now, as well as those which are to be let in the future.

I think that, in the manner we have indicated to the people of the province—as I have indicated to you, Mr. Speaker, and the hon. members of this assembly—this department of this government is certainly taking every possible action, consistent with govern-

ment policy and the finances available, to make sure that people have employment this winter and that they get that employment in time to have a pay cheque before Christmas; which, at this time of year, is a very important thing in those families which have children.

That is the story as far as The Department of Highways is concerned. We are producing work, we are producing the highways which the people and the government wish, and for which my department has plans. The hon. members will find that our share of work, with respect to unemployment this winter is not only a promise, it is actually being done now.

It being 6 of the clock, p.m., the House took recess.

ERRATUM

(December 5, 1960)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
210	2	19	Change to read: Deputy Minister of Municipal Affairs (Mr. Cumming)





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, December 12, 1960
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, DECEMBER 12, 1960

8 O'CLOCK P.M.

The House resumed.

ON RESOLUTION RE UNEMPLOYMENT (Continued)

Mr. A. F. Lawrence (St. George): Mr. Speaker, I regretfully rise on a point of order. I would not do it if it had not been for the rather petty objections this afternoon which prevented an hon. Minister of the Crown from giving important information to the public on this serious debate.

I feel it my duty to draw to your attention, sir, that the name of the hon. member for York Centre (Mr. Singer) appears at least 7 times in the debates concerning this resolution on the afternoon of November 28 and that same evening, sir, his name appears at least twice in the debate concerning this resolution. I would respectfully urge you to rule that the hon. member has spoken before in this debate.

Mr. F. R. Oliver (Grey South): Mr. Speaker, before you rule on this question in which, it seems to me, you will not have much difficulty, the contribution made by the hon. member for York Centre, to the debate, was in crossfire across the House, asking questions and answering questions—the usual banter that goes on sometimes in this assembly.

The crime of the hon. Minister of Municipal Affairs (Mr. Warrender) this afternoon was that he intended, and expected, to deliver a second major speech on the same subject. The rules, of course, do not allow that.

Hon. L. M. Frost (Prime Minister): That was just a clarifying statement.

Hon. W. K. Warrender (Minister of Municipal Affairs): I was just answering some questions.

Mr. V. M. Singer (York Centre): Mr. Speaker, I may say the objection made this afternoon was a lesson I learned from the hon. Prime Minister in the last session.

The last session was my first and, on one occasion, the hon. Prime Minister quite correctly, when I attempted to join in a

similar debate for a second occasion, pointed out to me that neither he nor I could speak twice on the same resolution. As many things the hon. Prime Minister says are so important in this House, I remembered that very well; and, when the occasion arose this afternoon, I thought it only right that it be brought to your attention, Mr. Speaker.

Hon. Mr. Frost: The lesson involved is this: when hon. members are asking questions they should not make speeches.

Mr. Singer: Well, Mr. Speaker, I do not know that this necessarily calls for an answer; but I feel I can abide by the rules of the House, and I am happy to accept your rulings at any time.

As this debate unfolded, I thought it might be of some interest and some value to have a look at some of the speeches that the Honourable the Lieutenant-Governor (Mr. Mackay) delivered in recent years. The other evening as I was sitting at home and going through some of the old copies of *Hansard*, I came across some very interesting comments in these speeches; perhaps the hon. members might be interested in having their memories refreshed.

In 1958, on February 3, when his Honour delivered the speech, he had this to say:

At this session, consideration will be given to matters of great importance. This year has its problems and challenges as well as its opportunities. Adjustments have occurred in some lines of activity involving considerable unemployment—

Nevertheless the past year has been one of impressive achievement. Despite economic adjustments more people were employed and more goods were produced and purchased last year than ever before in our history.

Private and public investment reached a level nearly 3 times as great as 10 years ago. In many branches of industry new records of production were established.

These phrases, Mr. Speaker, have a familiar ring.

Hon. Mr. Frost: All correct.

Mr. Singer: I am not through yet. The hon. Prime Minister is going to be most interested in the rest of these remarks.

Hon. Mr. Frost: What year was that in?

Mr. Singer: This is 1958. I am going to take the hon. Prime Minister with me through 1959 and the first and second sessions of 1960, because I think, Mr. Speaker, that the hon. Prime Minister is going to be most interested.

Hon. Mr. Frost: That is true; that is true today.

Mr. Singer: I continue to quote:

Although the rise in unemployment does not warrant complacency, there are many strong elements in our economy. Capital expenditures of our provincial and municipal governments will be appreciably higher this year than a year ago, reaching an unprecedented level. Capital investment in residential housing and in service industries will also increase. These times require confidence and the determination of us all to take advantage and make the best of Canadian opportunities.

In this regard, too, the relaxation of credit restrictions will assist both public and private investment while our rapid population growth will continue to give impetus to consumer spending. With the knowledge that comes from the opportunities before us, we can face the future confidently; and we shall be able to meet the problems of dislocation as they arise.

Our goal is the maintenance of high and stable levels of employment. We can best achieve it by the co-operation of all levels of government with business, industry and labour.

I would remind the House that those remarks were made not too long after—no, I suppose, just before—the election; and that was the election, if my memory serves me right, Mr. Speaker, when the hon. Prime Minister stood on the platform at Massey Hall with his arm around the now Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) and said:

This is the man who means what he says; this is the man we must elect.

And that, also, was the man who was saying:

When I am the Prime Minister of Canada no one will suffer from unemployment.

Well, I think, Mr. Speaker—

Hon. Mr. Frost: That was the year before.

Mr. Singer: In 1957, I am sorry. The hon. Prime Minister had a year of that and, by 1958, he thought he saw the light breaking through. Well, the light was not too strong, because we follow this story through to 1959.

Here is what happened in 1959; this is what the Honourable the Lieutenant-Governor said:

Since the last session, many events and developments have occurred which have enriched and strengthened the economic and social fabric of Ontario. The year 1958 was notable for many reasons.

Economically it commenced with a recession, a downward trend in evidence throughout America. When it closed our position had become considerably stronger.

Unemployment has caused us great concern and we have taken many steps to ameliorate it. In the past year furthermore there emerged major areas of strength, quickening activities which will lessen its incidence.

Agriculture enjoyed a larger gain in production and cash income, last year, than in any year since 1951. Mining output was higher. Personal incomes and consumer sales increased, while capital investment is well maintained.

As the new year proceeds we can look forward to increasing employment and production and a continuation of growth and development of our great province.

A year later, then, the government still has not recognized what it should be preparing to face. There was an optimistic tone in 1959, but not too much progress really.

Mr. Speaker, not more than 10 months ago, his Honour the Lieutenant-Governor delivered another speech and this is what he said at that time:

Employment increased more rapidly than the labour force and unemployment was reduced. Production and living standards reached their highest levels in the history of the province. The results achieved fully justify the confidence we expressed a year ago.

Turning to 1960, we are advised that nearly all our economic indicators suggest a year of continued expansion and progress which will carry us to new heights of prosperity. There is, of course, no room for complacency. The opportunities of today will be the challenges of tomorrow.

Rapid population and industrial growth impose heavy responsibilities and demands for services. Noticeable as our accomplishments have been, we cannot stand still.

We must press ever forward, mastering problems, overcoming difficulties, stimulating expansion, providing services more economically and at the same time raising money to do the job. This has been the foundation upon which the programme for this session has been built. This is our creed.

Now, for such a high-sounding creed, expressed so forcefully only 10 months ago, I suggest that the government did not do very much about carrying out its creed; and, for the last 10 months, either has been sound asleep or has buried its head in the sand.

We had another speech that his Honour delivered, and the tone is not nearly so optimistic as it was 10 months previously and we are told that we are experiencing changes in our economic climate. At this session, expansion and development must be our watchword.

Mr. Speaker, in 1958 and in 1959 and in 1960, when they were boasting about the record of this country, what were these people doing? What was this government doing? What was the hon. Prime Minister doing, and what were the rest of the hon. Ministers in the first row and the second row over there doing?

Hon. Mr. Frost: Expanding and developing. Expanding and developing; of course they were.

Mr. Singer: As a great producing province in manufactured and agricultural and other products, our goal must be expanding markets. The responsibility for achieving that goal is not the exclusive responsibility of any one sector. It was the exclusive privilege, Mr. Speaker, of the hon. Prime Minister and his hon. colleagues to take full credit when they thought things were going up. When things are not so good, certainly it is not their sole responsibility.

As a matter of fact, when we listened to the hon. member for Huron (Mr. MacNaughton) this afternoon, and the hon. Minister who sits in front him (Mr. Wardrobe), they were saying that we were prophets of doom and gloom, and should not talk about these things. We should not bring these facts before the public. We should not tell the people of the province of Ontario the foolishness with which this government has addressed itself to the serious economic problem over the last 3 years as is indicated in these speeches.

Mr. Speaker, there has been an effort to tell us that we in Ontario are not so badly

off, that if we compare one percentage figure with another percentage figure, everything is fine.

I suppose it has been great solace to the 120,000 people in Ontario who are unemployed to recognize that, on a percentage basis, there might be more people unemployed in British Columbia. I suppose it encourages those people who go from place to place looking for jobs to feel much better about the kind of government they are getting, to find there are perhaps more people on a percentage basis in another province doing the same thing.

Surely this is not the sort of record that even the hon. Prime Minister can boast about as his creed. Surely the time has come, and is long since overdue, that we should get something more than just great words.

Mr. Speaker, it was rather interesting to contrast the speech of the hon. member for York-Scarborough (Mr. Sutton), when he introduced this motion, with the speech of the hon. Prime Minister. It is a pity the two of them were in such substantial disagreement.

It is interesting to note that the speech of the hon. Prime Minister corresponds almost item by item with those remarks Mr. Walter Gordon has been making across the country for many months. And it is interesting to note that the hon. Prime Minister is much more anxious to convince the people at Ottawa that they should change things than he is to get his own hon. Ministers doing something about it.

The 10, or 11, or 12 points that the hon. Prime Minister made in his speech of November 28, to my mind, are very substantial; but we must ask ourselves, Mr. Speaker, what has the hon. Prime Minister been doing with his good friend the Rt. hon. Prime Minister of Canada?

As he admitted just a few minutes ago, it was in 1957 that he and Rt. hon. Mr. Diefenbaker stood arm in arm on the platform at Massey Hall, and our hon. Prime Minister threw the full weight of his party and organization behind Rt. hon. Mr. Diefenbaker. But now the hon. Prime Minister of this province is complaining that Ottawa is not doing the things that should be done. And his complaints, I think, are valid.

He lists all these points. He talks about devaluating the dollar. He talks about bank credits and all these other things that he knows, and the hon. members know, are matters of federal concern. And, if the people of Ontario accept him at his word, and the words that he gave in 1957 that his friend in

Ottawa would look after all these things, then I think that the people of Ontario can turn an accusing finger at the hon. Prime Minister of this province and say: "You led us astray in 1957, and it is about time since you got into this economic problem that you did something about it."

As we listened to his Honour's speech that commenced this session, we heard about The Department of Economics. New bodies are going to be added to it; expanded studies are going to be undertaken.

I think this is a very worthy objective but I just wonder, Mr. Speaker, over the many years that the department has existed, that this did not occur to the hon. Provincial Treasurer responsible for that department (Mr. Allan) or did not occur to the government.

Where have these people been down through the years? They have been burying their heads in high-sounding phrases as they did just 10 months ago when they said there was no problem.

We are told that The Department of Planning and Development is going to take on a new look. What does that mean?

As far as we can gather from listening to his Honour's remarks, it is going to get a new name. But a rose by any other name smells just as sweet, and if that department is going to produce anything then it has had ample opportunity, down through the years, to produce something in industrial development. Yet we have not been able to hear, down through the years, that this department has done anything in industrial development.

We have The Department of Labour, Mr. Speaker. There is very little mention of The Department of Labour in his Honour's remarks that opened this session. I think there is just one phrase. He says that The Department of Labour is concerned with apprenticeship courses, and these are going to be carefully examined.

Surely if there is a department of government that has responsibility for employment conditions in this province it is The Department of Labour—and the only mention of it in his Honour's remarks was that apprenticeship courses are going to be looked into.

Mr. Speaker, there was an incident that took place this summer. The hon. Minister of Labour (Mr. Daley) is aware of it because I communicated with him in writing about it and he replied to me; but I think the hon. members of the House would be interested in it.

I was approached by a young immigrant

lad who told me that he was having difficulty in getting enrolled in an apprenticeship course. He had not been in this country too many years and the first job he had was in the building industry.

While he was working he was earning good pay, but work in that industry, as hon. members know, is seasonal and most irregular.

This chap recognized, reasonably soon, that seasonal and occasional work was not good enough for him; he wanted continuous work. He recognized too, Mr. Speaker, that to get regular work he had to have a skill.

He looked around and he decided that the trade of being an automobile mechanic and repairing automobile bodies, was something that interested him and he wanted to learn this trade. He eventually found out that there was an apprenticeship course run by The Department of Labour providing this sort of training.

He recognized that if he entered into this course of training he would have to work at very little pay, but he was quite prepared to do it. So he went along to the proper office and attempted to enroll as an apprentice.

But, Mr. Speaker, he found out to his great chagrin that, at the ripe old age of 23, he was too old to become an apprentice. I think this is a shocking thing.

I communicated my concern to the hon. Minister of Labour who, quite honestly and frankly, admitted that this was in fact the case. He said he, too, had some concern about this situation but there were difficulties.

The correspondence is here, and I think the hon. Minister of Labour will agree I am quoting correctly. The point that concerns me—

Hon. C. Daley (Minister of Labour): As near as I can remember, yes.

Mr. Singer: That was the essence of the correspondence anyway. The point I am making is this: At a time of great economic crisis, such as exists in this province of Ontario today, when the hon. Prime Minister is turning the attention—or supposedly turning the attention—of all of his departments and all of his hon. Ministers to the serious condition of unemployment, we have not had any indication at all that there is going to be any change in the general rules of apprenticeship. We have not had any indication at all that an old man of 23, who is prepared to undertake training as an apprentice in the automobile trade, is going to be allowed to pursue that wish and desire. Mr. Speaker, I think this is shocking and disgraceful.

I listened with great interest this afternoon, Mr. Speaker, to the remarks of the hon. Minister of Education (Mr. Robarts) and his interpretation of what this schedule M was supposed to do, and the reasons why the province of Ontario perhaps had not taken as full advantage of it as it might have.

I tried to get at this the other day, Mr. Speaker, when I asked a question of the hon. Minister of Labour. He talked about his apprenticeship courses and then threw the ball to the hon. Minister of Education, who talked much in the same vein as he talked this afternoon.

I did not have an opportunity at that time to read this newspaper clipping completely, but neither the hon. Minister of Labour nor the hon. Minister of Education has denied the facts as stated in this newspaper. And so, Mr. Speaker, I am going to read just a little more of it tonight. I quote:

Last year, Ontario missed out on the 75 per cent training grants and it will miss again this year.

And if I noted the remarks of the hon. Minister of Education correctly he confirmed that when he spoke this afternoon:

The grants are paid when a province provides man days of training equal to 3.5 per cent of its adult population.

Last year the province provided about 1,500 man days, about one one hundredth of the minimum needed. Only 65 unemployed persons were enrolled last year in Ontario job-skill training courses. This year, courses in effect or planned will take fewer than 300. The official said the federal Labour Department has asked the Ontario government several times to get cracking on job training courses.

We heard this afternoon, Mr. Speaker, that the hon. Minister admitted that he was unable to take advantage of this in the current year. Mr. Speaker, I ask again, where have these hon. Ministers been over the past 3 years? Why have they been completely unable to see what was coming; why have they buried their heads in the sand and why have they done nothing more than make high-sounding speeches and deliver high-sounding phrases about their creed?

Hon. A. Grossman: (Minister without Portfolio): Because they could not go to a seance in London to get information as to what was going to happen.

Mr. Singer: Well, Mr. Speaker, we have the impartial hon. Minister talking now. I do not know which seance in London he is talking about.

Hon. Mr. Grossman: The one the late leader of the hon. member used to attend, to get information from.

Mr. Singer: Mr. Speaker, I do not know really the significance of the remark of the hon. Minister. It is as elucidating as most of his remarks. If he has something constructive to contribute to this debate, we will all be glad to listen to him.

Hon. Mr. Grossman: The hon. member has not given us anything constructive yet.

Mr. Singer: One of the favourite tricks of my hon. friends opposite is to accuse this side of the House of making political speeches, when we are trying to bring before the people of Ontario one of the real problems that faces us.

I do not think, Mr. Speaker, that there is a single hon. member of the House who can deny the fact that the most serious problem facing us is unemployment. And I do not think it is going to do any good to hear the remarks that we did this afternoon, particularly from the hon. Minister who usually sits where the hon. Prime Minister is sitting, to say that we are prophets of doom and gloom, and everything is rosy, because it is not rosy.

Across the line, our good neighbours to the south have done a little bit of research and study into some of these problems. The President of the United States appointed what he called the President's commission. He had on it such people as Berwin Buchanan, the editor of the *Christian Science Monitor* and the president of the United States chamber of commerce; Colgate Garden, Jr., former governor of Virginia; commission vice-chairman Frank Pace Jr., chairman of the General Dynamics Corporation and other men of equal importance. They sat down and studied many of the problems affecting the United States.

The same sort of inquiry, I suggest, Mr. Speaker, should have been conducted in this province, and at Ottawa.

This is what this commission had to report on the economy of the United States, and almost everything they say could equally apply to this province. This is what they said under "The Economy":

Goals: An effort should be made to keep the number of unemployed, now 6.4 of the work force, consistently below 4 per cent, while finding jobs for 13.5 million new workers in the next decade. Economic growth should be encouraged and technological change should be promoted with

sensitive regard for any adverse impact upon individuals displaced from jobs by machines.

This means: Employees should get a financial stake in pension plans at an earlier date, so fewer of them will have to hang onto jobs simply to cash in on such benefits.

We have been told that a white paper on portable pensions is forthcoming. But, Mr. Speaker, these are things that the government could have, and should have, hurried along so that they could now be having a real impact on this unemployment situation. I continue:

The government should boost its outlays for schools, hospitals, highways and other public works—

We heard some of the hon. members opposite say these are only short-term panaceas. But these are things, Mr. Speaker, that such a renowned commission as President Eisenhower's commission think most important. Surely if men of this calibre think it is important, it deserves more than passing consideration from the hon. members opposite.

The government should boost its outlays for schools and hospitals and highways and other public works, as one way to help the economy expand without hindering free enterprise or risking dangerous inflation.

Tax laws should be reformed to include, among other elements, more liberal depreciation allowance for industry.

I think the hon. Prime Minister has touched on this. But why he touches on it here, and why he does not touch on it with his good friend up in Ottawa, is something that I just cannot understand. I quote again:

To stimulate new investment and new ventures and attract risk capital for new products, business should seek a steadily growing consumer demand and government should encourage a healthy economy by proper management of interest rates, money supply and budget surpluses and deficits.

Again, Mr. Speaker, these are things the hon. Prime Minister has referred to. But I suggest he is referring to them in the wrong form. He should refer to them when he talks with his friend, the Rt. hon. gentleman who continually assured the people of Canada that no person shall suffer from unemployment while he was Prime Minister of Canada. I continue:

Universities, research institutes and industries with government support should

greatly increase their basic research, in order to provide new ideas and new products. Job dislocation should be eased by state and federal financed retraining of workers.

This, Mr. Speaker, is something this government should have been doing these last 3, 4 or 5 years. They know they should have been doing it, and that they should not have been making the kind of speeches they were making 10 months ago.

We were treated to an example of this, Mr. Speaker, in the last session of this House when hon. Minister after hon. Minister rose to his feet to tell us what was going to happen at Elliot Lake; what they were going to do.

There were going to be more pamphlets by the hon. Minister of Travel and Publicity (Mr. Cathcart). Somebody was going to look at a park; somebody else was going to look at a jail; somebody else was going to do something else. Today it is a dead town and the houses are boarded up.

They did not retrain these workers. They have hurt the economy of this country substantially because they did not have the vision to do anything about it. The report continues:

Job dislocation should be eased by state and federal financed retraining of workers. Industry should be encouraged to move to distressed localities. The federal government should encourage the states to improve their unemployment insurance both in size and duration.

These are things that this very important commission suggested to the President of the United States. And these are the things of which, I think this government long since should have been aware.

The hon. leader of the Opposition (Mr. Wintermeyer) put forward 5 suggestions in his amendment to the original motion. The hon. member for Kenora (Mr. Wren) this afternoon came up with 20 suggestions as to how northern Ontario might benefit.

I am not going to prolong my remarks in this debate. I merely want to say that this government has been sound asleep. The province has suffered because of its self-satisfaction and smugness as has been expressed in these speeches and lack of action.

We have to do something about the economy of this province. We have to provide training and retraining for the 40 per cent of the people who are under 24. We can no longer say a man of 23 is too old to become an apprentice. The task lies over

on the government side of the House, Mr. Speaker. Every day it is delayed, the people of Ontario are going to suffer.

Hon. W. M. Nickle (Minister of Planning and Development): Mr. Speaker, I would like to take this opportunity of saying a few words, representing my hon. colleagues in the Treasury benches who have been accused by the hon. member for York Centre of taking no interest in regard to unemployment, both in the province and the Dominion.

It seems to me that, in place of drivel, we should try to approach this economic situation as people proud to call Ontario and Canada home.

We, in Ontario, absorb into our economy every year 50 per cent of all the immigrants who come to the nation. We manufacture half the goods made in Canada. And, by and large, we contribute to the federal exchequer approximately 50 per cent of the income that is collected by the hon. federal Minister of Finance and Receiver-General (Mr. Fleming). I think it is fair to say that Ontario is the workshop of the Canadian nation.

With that background, Mr. Speaker, I would say this: about 10 days ago we had a two-day industrial conference at the Royal York hotel. It was sponsored by my department of government; and on that occasion there were 3 principal speakers: the hon. Prime Minister of this province representing government; Mr. Claude Jodoin representing the Canadian congress of labour; and Mr. Ian Macrae representing industry.

That conference was broken down in a number of panels. There were nearly 700 people attending, of all political faiths, all creeds and all colours. It was representative, if I may use the expression, of Ontario. They came from the north, the south, the east and the west.

My hon. friends opposite were invited to attend but were too busy, or otherwise engaged and except for one or two did not put in an appearance. Those who did attend were not from the Toronto area.

This government is proud of its record in connection with human rights. We are proud of The Fair Employment Practices Act, we are equally proud of The Fair Accommodation Practices Act. People called New Canadians come here with a feeling and an understanding that our way of life is theirs to enjoy, providing they respect the laws of this land.

If, for a moment, I could have no interruptions, the hon. members opposite will

learn a little; and they are capable of that, if I may use that expression.

This summer, at my own expense, I was in Europe and the United Kingdom. The people in those countries are not unmindful that, as a result of the development of the seaway, European shipbuilders are making new freighters, wider, longer and deeper in draught.

The result is that the European manufacturers are making a determined effort to put their goods on our shelves and, if I may give a personal opinion, the time has come when we have to take a look at our wage structure and see to it that our industry is competitive. Otherwise, we will have no reason to complain if our people ask for a wage that is going to deprive them of their employment.

Mr. Singer: Are the wages too high?

Hon. Mr. Nickle: I would like to answer the hon. member, once and for all. After his conduct in Dimensional Investments I would not open my mouth if I were him. Now my regard for his interruptions is nil.

Mr. Singer: That is fine, and the regard of the hon. Minister for the problems of the people of Ontario is also nil.

Hon. Mr. Nickle: If the hon. member would respect his barrister's oath, and live up to the traditions of his profession, there may be a much better man in this House.

Mr. Singer: Mr. Speaker, the hon. Minister has no call to make those remarks. He has been impugning my integrity and I ask that he withdraw his remarks.

Hon. Mr. Nickle: The hon. member should live up to his oath.

Mr. Singer: Mr. Speaker, the hon. Minister is impugning my character and my integrity, and I ask that those remarks be withdrawn.

Hon. Mr. Nickle: I say that no honourable solicitor would hide a file.

Mr. Singer: Mr. Speaker, the hon. Minister is saying that I am a dishonourable person and I ask that those remarks be withdrawn.

Mr. Speaker: The members cannot impute motives to their fellow members in the House.

Hon. Mr. Nickle: If I were a solicitor, I would not hide a file.

Now, one of the things that we are very proud of in relation to The Department of

Planning and Development is our conservation programme. On that score, I beg to say that, at the present time, there are 36 conservation authorities, totalling 45,000 acres. Within these are 46 parks covering 3,500 acres. The attendance in these parks is mounting rapidly each year. There were 69,000 visitors in 1957; 880,000 in 1958; 1,375,000 in 1959, and 1960 reached a total of 1.8 million visitors.

With those figures, as a basis of my comments, I would say that we have, by and large, developed a conservation programme, of recreation areas, if you like, which is of basic importance, having regard to our efforts in getting new industries to establish in the province of Ontario.

In relation to industries in this province at the present time, I think it is fair to say that some industries are operating at only 50 per cent capacity.

One of the things we have to do to get further employment for our people is to get new secondary industries. We have set up a products research section with a view of trying to interest new capital to invest in the Ontario economy and to make, here, those goods made in other countries at the present time from our raw materials.

I believe that our potential now, with our new population, is such that with confidence we can expect new capital from other countries if it is not available here.

There has been some reference made about our people between the ages of 19 and 24 not having qualifications that give them priority from the point of view of being employed by industry, because their academic qualifications give them no standards to be considered.

When I was in Kingston over the weekend, I discussed this matter with the principal of the Queen Elizabeth collegiate and vocational institute, Mr. J. L. Murray. He told me something I thought was rather significant, and that was that a tremendous number of parents of teenage boys and girls, who have the available funds to give their children a vocational education, found it was quite impossible to reach what I would say was their desire—for the reason that the youngsters would not go to school. As he put it to me: "You can lead a horse to water, but you cannot make it drink."

Some of these young people think that quick money and high wages as teenagers is going to give them security down through the years. As they grow older they find that is not the case.

I would like to read into the record, if I

may, Mr. Speaker, an extract from a letter from Principal Murray to myself.

He wrote:

Our technical course is of 4 years' duration like the others. Contrary to popular belief, more than half of the students' time is spent in the study of academic subjects. During the first two years of the course, 65 per cent of the time is spent in academic subjects and the time in the shops is divided equally among the following shops: woodworking, electricity, draughting, machine shop practice, sheet metal work and motor mechanics.

After successfully completing the first two years of work, the student is assisted in selecting the one shop in which he will specialize during his final two years. But he will still spend more than half of his time in classwork. At the end of his fourth year the student receives an Ontario secondary school graduation diploma similar to the one awarded to the graduate of the academic or commercial division.

The certificate is ascribed with the name of the shop in which he has specialized; in the case of our school, architectural draughting, mechanical draughting, electricity, electronics, woodworking and instruction in cabinet-making, sheet metal work, with machine shop practice for motor mechanics.

In fact, as the years pass, we usually find that the technical graduate becomes a foreman, or superior, or supervisor, and in many cases starts a business of his own. Some of the graduates of our school are very successful contractors, or owners of shops of their own.

I point out, Mr. Speaker, that we have these schools where people can become highly qualified in the vocation of their choice and the work they would like to do for the rest of their lives.

We have a new housing formula on the basis of 75 per cent contribution from the federal government, 17.5 by the province of Ontario and 7.5 by the municipality.

We have these housing programmes in many cities in this province. It is going to mean a very great deal of work for the trade.

We are proceeding with our land assembly project and—I put it this way to the hon. members—as late as last week I was in Ottawa, and had a meeting with the hon. federal Minister of Trade and Commerce (Mr. Hees). I indicated to him that the government of the province of Ontario, within the scope of its authority, is prepared to give the federal government complete, unqualified and

sincere co-operation in helping them to solve the problem of unemployment.

Mr. Singer: I wonder if the hon. Minister would answer a question?

Hon. Mr. Nickle: No.

Mr. Singer: That is what I thought.

Hon. Mr. Nickle: No.

The discussions broadened out on this level. It was indicated by the hon. Minister of Trade and Commerce that his trade commissioners from the length and breadth of this country, and the world, who were in Ottawa, would in the future extend to our agencies in London—as represented by Ontario House—and to our offices in New York and Chicago, complete co-operation in indicating to us what new industries were interested in establishing in the province of Ontario.

It was suggested at the recent conference that I take with me the hon. member for Huron. They were talking about the processing of our farm products and I say that if some of the hon. members in this House would take a look at some of the food that is produced for them, for human consumption, and see the country where it is packed, they would realize, as we realize, that there has to be more co-operation by the people of this province who should have the philosophy "buy Canadian" and thus keep our people working—rather than those in other countries.

An industrial friend of mine wrote to a manufacturer in a foreign country the other day and said: "We would like to sell to you certain of our goods." The man in the foreign country wrote back and said: "We are not interested in buying from you because we are not working to full capacity."

In this country, if there was a formula, whether it be by tariff or otherwise, to protect our industries until they were in full capacity, so that foreign goods could not come in—perhaps that might be better for us.

I am still an optimist and I say further that I have confidence in this government, and confidence that we can weather this storm to the satisfaction of the great people of the province of Ontario.

Mr. E. P. Morningstar (Welland): Mr. Speaker, we have already had considerable discussion in this House on the subject of unemployment. It is a serious subject. It is not one to be discussed on a partisan basis. It is not a subject which should be used for making political capital.

Unemployment, for the average citizen, is a tragedy. It is quick to affect the home and the dependants of the average working man, to which group I am proud to belong. In most cases the blow is softened by unemployment insurance. But time passes by—eventually the payments come to an end—and then real trouble commences.

It is said that there are many abuses related to unemployment insurance. But, after all, this is a relatively new measure and this factor is something for Ottawa to deal with. As the hon. Prime Minister remarked a few days ago, one of the surest ways to conquer unemployment is to encourage secondary industry and to enlarge our foreign exports.

In earlier days far too much of our raw material was exported in the raw state, and this is true to a degree today. They sold, and I might add, without competition, most of our remaining stands of timber. They wrote into the agreements, in defiance of the law, provisions for the export of spruce and other timbers to feed American mills.

These unsavoury deals have been overhauled and look at what has happened. Up north, at least 3 large new pulp mills have been built—at Marathon, at Terrace Bay and at Red Rock. Surrounding these mills today are new thriving towns, with paved streets, modern homes, schools, churches, stores and every modern facility.

We have here an example of what can be done by encouraging or insisting upon the establishment of secondary industry as related to our natural resources.

A good many years ago nickel mined in the Sudbury area was reduced to matte by an elementary process and this was shipped to New Jersey or to Wales for refining and for separation of the numerous metals involved. Later on, the big refineries were established at Port Colborne. Here again we have a big, secondary industry related to a great natural resource.

Should we not strive for a greater use of our iron ores in Ontario secondary industry? The United States is faced with exhaustion of its iron ore resources. It must look for its ore in the future to Venezuela, to Quebec and to Ontario. Right now we are shipping, from the Steep Rock and Marmora deposits, great quantities of raw ore. Is it not a possibility that we can, in degree, do something to bring United States mills to Ontario, rather than continue shipping our ores to the United States? What more important type of secondary industry could we gain?

We have all 3 levels of government at this time operating various plans to relieve the

situation in which we find ourselves. All are pressing forward various public works. These projects of themselves employ thousands of our workers but their impact on secondary industry is perhaps of even greater importance. Hon. members see it right here in this building, we see new floors, new stair wells, new elevators, all making for employment both directly and indirectly.

The hon. Minister of Public Works (Mr. Connell) the other day outlined many projects—demolition of buildings at the Ryerson institute, at the old Grace hospital—many works being pushed ahead right now instead of waiting until spring.

The hon. Minister of Public Works said the other day that his department has, in various stages of development, projects totalling \$100 million. Such figures do not themselves make much impact. Let me put it this way. The present public works programme represents a sum equalling the total cost of running this government for one year as of 20 years ago.

Our winter works programme—a co-operative effort with the municipalities—up to the end of November involves 970 municipal applications. The provincial contribution to labour costs here amounts to \$3 million, and this sum will be far exceeded as the winter wears on.

Today, we are paying to the municipalities, in grants of various types, about \$345 million a year. This represents 45 per cent of all our provincial revenues. Huge as this sum is, it will be increased as our resources permit—and this will hinge largely on a revision of the fiscal arrangements with Ottawa, arrangements inherited from a former federal government and which still have over a year to run.

The Ottawa proposals related to loans to aid small business and moderate-sized secondary industry will fill a want long needed. I repeat that secondary industry is the greatest producer of jobs, of pay-envelopes, which we have. I suggest one special way of helping our secondary industry. Should not our departments—all of them—try to buy, first, Ontario goods, second, Canadian goods, third, Empire goods, and finally buy foreign goods? Such a rule perhaps cannot be applied absolutely, but it is, I suggest, a good general rule to follow.

I would like to quote excerpts from *The Letter Review*, also one from the *American Metal Market*, both dated December 5, 1960, which were handed to me by officials of one of our largest Canadian industries—Page Hersey Tubes, whose policy is one of buying all of their equipment, supplies and raw

materials in Canada, and only departing from this policy when such equipment or materials are not available in Canada.

The first report datelined Ottawa, reads:

PROPOSED CANADIAN LAW WOULD CURB GOVERNMENT BUYING OF FOREIGN GOODS

The practice of government departments buying United States or other foreign-made goods would halt under a bill introduced in Commons by Conservative Ernest Broome of Vancouver. Last spring, Mr. Broome disclosed that the Canadian Navy was sailing from the British Columbia coast with California oil in its bunkers. He proposes an absolute preference for Canadian firms in construction and service contracts.

His bill, entitled The Public Construction, Goods and Services Act would allow some leeway in cases where non-Canadian supplies are to be purchased. A Canadian supplier would be granted a 10 per cent price preference against a foreign firm.

A further exception is made whereby the cabinet, "in the public interest," may grant exemptions. Any such action, however, would require public disclosure in the Commons, and group exemption regulations would be invalid if not approved by Parliament within 30 days.

The bill assigns to the Deputy Ministers of national revenue—taxation and customs and excise divisions—the job of deciding any question or dispute about what constitutes a Canadian firm or product. Their decisions would be final.

The contracts bill sets out penalties for any firm or supplier who obtains a government order by fraudulently representing itself as Canadian. The guilty party would be subject to forfeiture of 10 per cent of the contract price.

The other excerpt from *The Letter Review*, December 5, 1960, reads as follows:

Government departments would be required to buy mainly made-in-Canada goods if a bill introduced in Commons by a British Columbia MP gets support.

Ernest Broome (PC, Vancouver South) last week presented a domestic purchase bill aimed at giving Canadian manufacturers 10 per cent price preference over foreign firms and, in case of exceptions, would demand public disclosure in Commons.

Thought occurs that it would be a good thing if provincial governments would follow the British Columbia member's

example—and the practice of “buying Canadian,” even at some sacrifice, might well be extended to such organizations as Ontario Hydro. Latter’s policy seems to be to buy outside of Canada, although it is Canadian industries to whom Hydro sells largest individual blocks of electric power. Hydro policy carried to extreme could result in fewer and fewer industrial customers as Canadian producers go out of business.

My own personal view is that Hydro is doing splendid work providing employment and buying Canadian goods. Our Department of Highways is carrying on the biggest programme in its history. The trans-Canada highway is about completed insofar as Ontario is concerned. Two-thirds of the trans-Ontario highway from Windsor to the Quebec border is completed and in use. Great international bridge projects are under way at Queenston, Sault Ste. Marie and the town of Rainy River.

Our Department of Highways expenditures are approaching \$300 million a year, including municipal grants of around \$75 million. Great new government hospitals are under construction or in various planning stages at Cedar Springs, Goderich, Palmerston and Owen Sound. A new reform institution is scheduled for Elliot Lake, and a girls’ school near Lindsay. Many buildings for the provincial police are under way.

These facilities are permanent facilities; they will serve the people of Ontario for this and for coming generations.

Never in Ontario’s history has so much been done by any previous government. It takes drive, vision, planning and money. It takes leadership such as we are getting from the hon. Prime Minister of this great province. Never before have we had leadership so deeply concerned with the great cause of human betterment.

In 3 general elections and in 20 by-elections the leadership of this great government, the people’s government, has received endorsement at the hands of the people. This is the best answer I can give to our critics. After all, the voice of the people is the voice which counts.

Mr. Speaker, I greatly appreciate the opportunity of making a few remarks to this House and I hope they will be of some concern to all that they may involve.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I rise to take part in this unemployment debate. One of the things that strikes me is that we have to try to recognize the

extent of this problem. I am not suggesting that either side is trying to play it politically from the point of view of numbers, but I think we have to get facts into this situation.

It is for that reason that I, myself, turned to the federal bureau of statistics’ figures, so the hon. members will not say I am being unrealistic and that I am a prophet of doom and gloom. I think they will have to admit that when I read the bureau of statistics’ figures they are factual.

I can appreciate the satisfaction of the hon. Prime Minister that Ontario has a lower proportion of unemployed than other provinces; but something that alarms me is the hon. Prime Minister’s assurance, confidence and lack of worry with respect to 4 per cent of the labour force being unemployed.

I may be unfair to him or misrepresent what he said, but the impression I had was that he was suggesting it is perfectly normal to have 4 per cent of the labour force unemployed.

He told us that he was a simple man and he used statistics in a simple manner. I am trying to do the same thing. I went back to the period of 1946 to 1956—and I say this also for the hon. members to the left who do not use statistics quite so simply. They seem to me to use them in a somewhat twisted manner now and again to prove a point.

Then, unemployment on an average was 2.8 per cent of the labour force, and never went up above 4.3 per cent.

That is the goal we have to be working for again, not just relaxing and claiming 4 per cent seems to be fairly normal. The hon. Prime Minister is suggesting, as is another one of the hon. government speakers, that there must also be a residue, and he assumes the residue should be 4 per cent. I think this is alarming. We have had the residue as low as 2 per cent. If we look across to countries in Europe, we find they have 2 per cent.

That should be the aim in Ontario. When we have 120,000 unemployed people in Ontario, we should be worried—particularly when we know the normal seasonal pattern that will occur. I can say, realistically, that the ranks of the unemployed can double during the winter and within 2 or 3 months there is some likelihood that there may be 250,000 unemployed in Ontario. With this total of 250,000 unemployed, I ask—what is the government proposing?

I have been interested in the winter works programme. I appreciate that the programme is going to provide 13,000 jobs this winter, although for only a limited period. I asked

the hon. Minister of Municipal Affairs just about how long this period would cover. I did not get a clear answer from him. I am told that The Department of Lands and Forests will provide work for 1,900 and the Ontario water resources commission will provide another 1,600 jobs, and then there will be some other smaller projects.

But, surely, Mr. Speaker, the government is not going to stand on its laurels in providing work for such a small proportion of men, saying: "This is our vaunted programme, our winter works programme." I congratulate the government that it is improved to some extent, but it is, in no way, tackling the problem of unemployed in Ontario today.

I have been interested, as I listened to the hon. government speakers, at what I feel is the gross lack of homework they have done on the unemployment problem. Those hon. government representatives have had the advantage of going to other countries and also could look at studies done by them. For example, I wonder if any one of the hon. members of the government has read the studies on unemployment by the special committees on unemployment problems of the United States Senate. I would suggest each of them should get this report and study it carefully. Then perhaps they would not have someone such as the hon. Minister of Public Works inferring because he put an advertisement in the paper to get a Dutch farm labourer, without any result, that there is not a great deal of unemployment. He would do well to study the section on labour mobility in this Senate report, in which it clearly indicates there is a certain myth about mobility. Some people have a little home, a wife, children attending school and they are reluctant to pick up roots and head out somewhere else, particularly since they probably will have to work on a farm as a single person.

I think a number of suggestions that came from the other side of the House showed, first, a lack of study and, secondly, a lack of sympathy towards this really serious problem in Ontario today.

We did hear what the federal government's responsibility should be. This is very sound. We have to demand that the federal government assume its responsibility in this unemployment situation. Certainly the federal government should be taking responsibility in the international exchange rate, in government monetary and fiscal policies, in tax concessions and tariffs, and in trade.

Referring to trade, I was interested in the remarks of the hon. member who had gone

with the agricultural mission to Britain. He was explaining that we had to have greater understanding of marketing processes in Europe in order to sell some of our agricultural products from Canada. I suspect, sir, he does not even know who is on the staff in Britain representing Ontario in Ontario House. I asked him the question and he said he thought it would be better if it was referred to the hon. Minister of Planning and Development.

I would also be interested in knowing, when he went over on that agricultural tour, how many marketing experts he took over. I have read the list of people who went, and I really did not recognize among them any trained people who would understand the marketing situation in Europe.

Many of the areas discussed in this House were federal responsibilities. I would like to make a partial list of suggestions concerning the solution to unemployment which are in the provincial jurisdiction. I would like to break these into two groups.

The first are proposals for immediate action; the second would be more for long-term action. For immediate action the government should start an extensive programme of conservation. They should have a number of such projects. I know they will tell me they have some. But when we look at the recent report on land use to the government of Ontario, we see that this government has been short-sighted and negligent about its obligation to pass on a heritage to a future generation.

I quote from this report. I am surprised the hon. members have not read it. It was sent out to each hon. member. I think this in itself is an example of the hon. members' attitude. We should be taking an interest when the people of Ontario have been paying for this report.

Let me just quote from it concerning what should be done on conservation. It is on page 24:

It is estimated by planners that there should be a minimum of 10 acres, readily accessible—under 50 miles—set aside as a park for each 1,000 of population. At present Ontario has a population of 6 million and population estimates for the year 2000 are 12 million. This, however, is only part of the story, since the main increase will be in southern Ontario.

Obviously the most critical area is and will remain that from Oshawa to Niagara Falls. Based on the present population of this area 42,000 acres of rural parks are

deemed necessary. By the year 2000 this should increase to 96,000 acres. At present the total is about 3,000 acres.

I listened with interest to the hon. Minister of Planning and Development when he was speaking with some pride about his efforts. I am sure he has read this book and that it really gives him great concern at the lack of work being done.

In view of the unemployment situation today, this government should look at reports like this and grasp the opportunities to give the unemployed work in needed projects such as are recommended and suggested in this report—a report on land use by the conservation council of Ontario.

I would say immediately: absorb the manpower that is today standing idle by commencing some of the conservation projects so strongly recommended.

In re-emphasizing the urgency, I may add that 75 per cent of the population of Ontario, and indeed 18 per cent of the whole population of Canada, live in the area along Lake Ontario from Oshawa to Niagara Falls. As the report points out, no significant section of the lakefront has been reserved for public recreational use.

The next thing I would like to refer to is the winter works programme itself. I think this is a step in the right direction, but I would go along with some of the other hon. members in suggesting that some of the tardiness on the part of municipalities in participating is due to their difficulty in financing. I myself would be in much sympathy with the proposal made previously that the provincial government should consider helping not only with the labour costs but also with the material costs. I think if the province was approving some particular projects they could see that the material costs did not get out of line. The province should come in to some extent with the material costs, as well as the labour costs.

That is the second point I want to make with emphasis. The first was conservation; the second is on the winter works programme.

I think, sir, that the province must humanize its welfare programme. I speak from my experience in my own small office in my riding.

Now perhaps I live in a riding that is hit harder by unemployment than others, because I am in a riding in which there are large numbers of newcomers to Canada and large numbers working in industry.

There are people in my riding who desperately want to work. They are young men with a mortgage on a small home and they

are searching desperately for work and they are not getting it.

They have a solution. They can go down to the welfare office. And when they go down there they are told: "You will have to sell your house"—the thing they are struggling to hold onto to keep some pride and spirit in their own self respect—they are told: "Sell your house and your car and then you can get on welfare."

I would suggest to the hon. Minister of Public Welfare (Mr. Cecile) that he should look at his regulations. I asked him at the start of this session if he had changed some of the general assistance regulations. One regulation is that 6 children in a family is the limit which can be covered by welfare grants. If a man had 13 children, he would still get the same as if he had 6.

Again, to get the maximum for rent—which is \$50 a month—a man must have 12 rooms. I ask you, sir, how many unemployed have 12 rooms when they go to seek welfare assistance? The hon. Minister is not prepared to say whether these regulations will be changed. There are people in my riding who are deeply concerned and worried because of these regulations. Yet somehow in this House, in the warmth and comfort of it, we forget how drastically some of these harsh, narrow regulations affect the lives of fellow citizens of Ontario.

I speak now of Metropolitan Toronto which is running out of its \$8 million welfare grants—and of similar municipalities. It is imperative that the people of Ontario, who are unemployed through no fault of their own, should not suffer through further minimizing of welfare grants.

This should be examined by the province of Ontario.

I listened with great interest to the hon. Minister of Public Welfare's report. He should be re-examining and considering the welfare grants across the province. He should consider easing up some of his regulations and ensure that men, because they are out of work, do not lose dignity in themselves and lose their own homes. In fact, he should encourage them to keep their heads up and to have some pride. He also should ensure that they can buy enough groceries and other necessities for their families.

The next aspect which needs attention is the matter of unemployment benefits, established years ago when the cost of living was considerably lower. I would suggest that these are inadequate today. I suggest they are inadequate because I find it hard to conceive a man with 3 or 4 children living on

\$36 a week. I suggest that because a man who wants to work and cannot find work in many cases is being penalized and undergoes personal suffering and misery. I suggest, Mr. Speaker, that we should certainly try to get the federal government to raise these unemployment insurance benefits. If they do not, we must take the lead ourselves in supplementing these benefits.

Perhaps some hon. members will say: "I do not think you are on very economically sound ground with respect to this." I point out, sir, that not only is this a social and humanitarian plea, but is also based on the sound economic foundation that by increasing the benefits to the unemployed, we are raising the purchasing power of the community.

The increase in demand provides greater production and employment. Unemployment benefits are often referred to as automatic economic stabilizers. No one is going to suggest that increased unemployment payments will of themselves correct the situation of economic stagnation or decline, but none can deny that they will help to improve the situation.

I can refer to the economic advisor for Senator Kennedy, soon to be the President of the United States, who has emphasized this economic point constantly throughout his campaign.

In summary, sir, concerning short-term activity to help the unemployed, I suggest we need an extensive and comprehensive programme of conservation and parkland development; we need greater financial support of the municipal winter works programme, sharing the cost of both labour and material; we need a substantial increase in the welfare grants to municipalities; and we need a programme of supplementary unemployment benefits.

I realize that this list is incomplete and I know that other hon. colleagues on this side of the House have emphasized other points.

Now I would like to turn briefly to some of the long-term projects which we should emphasize.

I think that some of these things should have been done several years ago; there is no question about it. I was pushing some of these points myself last year, but they were not taken up and therefore they will not take effect during this winter. I hope therefore, that the government will now take action so that next winter we will not again be faced with the knowledge that we cannot really relieve much of the unemployment situation.

First—and I think this is extremely essential—we must have some knowledge of just where the unemployment is, what kind of people are unemployed, and so on. We know, for example, that Professor Deutsch of Queen's university is presently completing a manpower survey for the Senate of Canada. But I think, sir, that Ontario is uniquely industrial and should itself, through its government, conduct a survey to understand from its own research team, the type of people, their ages, their skills and so on, who are presently unemployed.

I again emphasize, sir, to the hon. members on the other side of the House, this study of unemployment by the United States Senate. I must say, as an amateur, with respect to detailed financial aspects I find this report to be extremely interesting, and certainly it is a study that we should be copying here. It gives a clear picture of the trends taking place in the United States; the age levels of people becoming unemployed, the areas of unemployment, the opportunities for women in employment increasing more than those for men.

I strongly recommend that we look at these studies in the United States and undertake a similar study ourselves in Ontario. If we do not have the facts—and I would suggest that we really do not have the facts about unemployment—we are not able to tackle the problem effectively. We have done this in research about natural resources. Why can we not do it about human resources?

The next point has to some extent been tackled, but I strongly emphasize that the government should develop a broad and comprehensive programme of vocational training and should give financial support so that people can attend these instructional courses.

I am concerned—as the hon. Minister of Education is—why young people coming out of Ontario schools are not equipped to go into our labour force. If we look at the figures we would be even more worried.

In Ontario in 1958-1959 there were 7,680 pupils who dropped out of elementary school. There were 40,530 pupils who dropped out of high school, and of those 40,000 pupils, 49.1 per cent had no diplomas.

Surely, as we think of the necessity for training in our labour force today, we become alarmed—considering the amount of money that we pay towards education—when we realize that 49.1 per cent of these students have no diplomas. We become particularly alarmed when we realize that they are going out into a labour force which is increasingly

demanding skills. They will only be joining, in many cases, the unemployment line.

We know that 60,000 of the unemployed are under 21. These are figures taken from the federal bureau of statistics.

We should therefore be concerned and should really examine our own educational system, because it has not been effective when we have a figure like 49.1 per cent who have not got diplomas and are fitted for nothing when they come into the labour force.

There are many reasons for these failures. I would suggest, sir, that one reason—and this, in fairness to the hon. Minister of Education is a tough one—is that I think there is an attitude in Canada; a tremendous desire, almost a snobbish desire; for all of us to want to send all our children through university. I do not think there is, in Canada, a full realization of the contribution which people do make to Canadian life, and the happiness they can get, by being in a trade.

I think that in Europe, and in Britain, there is a greater acceptance of the success that one can get from going into a trade. There must be work done here, with respect to advertising the values of a trade, and I would like to point out to the hon. Minister of Labour that he has an important role to play in trying to publicize and emphasize, in co-operation with the hon. Minister of Education, the contribution that students can make by going into trade schools and technical schools.

There is another question that can be developed, and that is with respect to a remark made by Dr. Murray Ross in the Canadian supplement of the *British Book of the Year*. He suggests that the fundamental philosophy practice and the pattern of education in Canada has not changed radically in the past 3 decades.

I listened to the reply of the hon. Minister of Education to my question this afternoon concerning where these people are going to work, after their aeronautical training in evening classes, and he was not sure. I cannot help having the feeling that the Ryerson school of technology, and all the trade schools that we have across the province, are not keeping close enough liaison with industrialists to discover the trends taking place for new skills across this province.

I would be very interested to hear from the hon. Minister of Education in what way, in the last decade, courses have changed at such places as the Ryerson school of technology. Students attending these courses feel, perhaps,

that some of the courses, with respect to needs in labour, are somewhat outmoded.

Now, I come to the retraining of people. I remember asking the hon. Minister of Education, last year, whether he was making use of the schedule M. I had a suspicion, at that time, that he did not know what the schedule M was. That was unfortunate because I think he should have been making use of it last year. I reproached him on this.

Ontario—and I quote from the *Financial Post* with respect to this—is apparently one of the poorest provinces with respect to technical training in co-operation with the federal government. Yet we are the most industrialized province.

Surely we should be taking advantage of this situation of retraining people.

I see many of these people in my own riding, many Europeans, and I cannot think of anything more tragic or demoralizing for them than to be on welfare, or on unemployment, for the rest of the winter.

I think that this government should use the schools that it has—and the church basements and community centres—to teach English to the immigrant who is not able to get a job. I refer this to the hon. Minister of Labour who could seriously examine whether he could not in some way encourage language classes during the day for people who are either applying for welfare or applying for unemployment insurance. They should be given encouragement to get some kind of facility in English and also some skill in a trade.

I think, sir, the hon. Minister would be doing something very worthwhile for the immigrant worker if he would consider this.

I could go on with respect to retraining. I would again suggest that the hon. Minister might look at Sweden with respect to retraining and the survey that was done, for example, in this Senate report.

It points out that the real advantage of retraining is that it attracts industry to relocate where skilled workers are available.

I take another example in the United States. Hazeltown, Pennsylvania, is a depressed coal and textile area. The people in the community wanted to stay there, but they were concerned because it was not diversified industrially and they could not attract further industry when their own textile and coal industries were diminishing and jobs were being lost.

So they started, with the encouragement of the state of Pennsylvania, to take retraining courses. They sent advertisements through

their publicity department to Europe and everywhere else to say: "If an industry will come in and settle with us we will give them a completely trained staff; we will retrain according to their requirements; and the Pennsylvania state government will help in this."

Today Hazelton—and it is written up in the Senate report—has attracted diversified industry. I think we could have done something like this with Elliot Lake. Hazelton is an example of what can be done by a community with co-operation from government.

My next point is—and I make this very briefly—with respect to encouraging more university education. Ontario, for example, gives in proportion less than 5 times the number of university scholarships that are given in Britain.

It is essential for us to change this because I am convinced there are able students who, because of financial reasons, cannot attend university. We have to move much further forward than just giving provincial scholarships to the 80 per cent average students because university trained people will provide jobs for others.

I would like to deal with the next point that—as well as retraining and education on a long-term basis—this government should be making a study of depressed areas. By that I mean places like Cornwall, Windsor and others. We should be doing that—a full study and analysis.

This was done in Britain—for example, in Wales—where there are depressed areas; they examined the situation and the economy.

I read the eastern Ontario economic survey with some interest but I felt this was more like chamber of commerce publicity rather than a good hard look at what was going on. I agreed with the hon. member for Stormont (Mr. Manley) when he felt that it slurred over some of the hard-core problems of Cornwall.

I do not know if the government has initiated such studies, but I suggest that, with our economic depression, it should get into these.

My sixth point is that the government should, through the establishment of a municipal advisory planning council, assist the municipalities in planning for the extensive programme of urban renewals. I am not going into this, because I do not want to take much more time, but I would suggest to the hon. members on the other side that they should read the report of the committee

of inquiry into the design of the residential environments.

We think of the heritage which we are passing on to our children, the heritage of sprawling urban communities, growing Ontario—and Toronto particularly, one of the fastest developing communities in the world.

We must look at the wisdom of other generations in other countries on planning their communities.

We really have a responsibility to ensure that we are not just developing large-scale slum areas.

I would like to go into this further, with respect to unemployment. When we consider the opportunity of the land assembly plan—low-cost housing—we should be getting after these immediately. We have the labour and we should also have the vision to get on with the work.

My seventh point would be to establish a municipal development bank which would assist the municipalities in planning and budgeting their capital expenditures and supplement the work of the municipal advisory planning council. In addition, the municipal development bank could assist the municipalities in obtaining funds for approved projects at rates of interest lower than those prevailing on the market at present.

This proposal is one in which, it is being suggested, the federal government should be taking a part. However, it does not appear likely to me that the federal government, in the financial mess it is in, is going to be able to play a role at this time. I suggest that the province should seriously consider establishing the bank itself in order to help the municipalities of Ontario. I would have liked to go into that further.

I have given what I feel are some short-term and some long-term suggestions with respect to unemployment. My hon. leader has suggested that we move into planning. The CCF are incompetent to the point of understanding what he means by this because, to them, planning is bureaucratic control. I would suggest, for their enlightenment, that they read the Senate report. In fact they should be the first to read it, because it gives examples of the kind of planning that the Liberals think about.

They think that planning is to encourage industry by government getting a platform and an atmosphere in which industry can develop. The Liberal idea of planning is not at all like the ill-fated and ill-starred Saskatchewan government plan which took over industry completely.

Mr. K. Bryden (Woodbine): The hon. member should improve his knowledge.

Mr. Thompson: I have an intimate knowledge of this. I was talking to someone who was sent out—

Mr. Bryden: Out of the *Toronto Globe and Mail*?

Mr. Thompson: No, sir. I talked to someone who went out to have a look at the thriving industry—the shoe industry was one, and a number of others which were developed—

Interjections by hon. members.

Mr. Thompson: I say the CCF should keep out of private industry's efforts—

Interjections by hon. members.

Mr. Thompson: All right. Now with respect to—

Interjections by hon. members.

Mr. Thompson: If the hon. CCF members will listen for a while, I will tell them.

There are a number of things we could do. One thing we could do for industry—and I throw this out just as a suggestion—is—

Interjections by hon. members.

Mr. Thompson: I am talking about the development of industry. We should have a look at what they are doing in other countries—this is just one suggestion for encouraging industry—and create a stockpile in case of a recession.

The government should say: "If you people would cut back some of your profits, and hold them in stock, and promise that you will use them as a lever for expansion when there is a recession, then you will get tax cuts on this."

Interjection by Mr. Bryden.

Mr. Thompson: Now the hon. member for Woodbine says: "There is a dreamer." Let me tell him, for example, it takes only a little reading to get some knowledge; and if he would read this book, for example, he would find that this is a particular approach that has worked in several countries, including Sweden.

Interjections by hon. members.

Mr. Thompson: Mr. Speaker, I could go on a great deal longer. In some ways I am

talking to deaf ears, but I always hope that the government will listen to us. We are sincere in the proposals that we are trying to make, because we are concerned with unemployment.

I assure hon. members of this: my little office is located above a meat store on Dovercourt street in a working area—I am not in the back of a big union executive office or hidden away somewhere, I am right out above the front of the store. I face the problems of fellow Ontario citizens who are very, very hard up, and very worried. Let me assure the House they are suffering mentally and physically because of unemployment.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, in taking part in this debate on unemployment, I would first say that I echo the thoughts of the hon. member for Bruce (Mr. Whicher) when he opened his remarks; and early this afternoon, I wondered if we were doing the right thing by coming back into the debate on unemployment, such a serious problem.

When I finished listening to the hon. Minister of Reform Institutions (Mr. Wardrope) who put such a jovial and humorous atmosphere into the situation, I thought that maybe we were making a mockery of what we consider a very serious situation.

Mr. Speaker, I am glad that, as the debate went on, it did get a little more serious; and I think there have been some contributions made—until the final remarks of the last hon. member who spoke. He just got off the track all of a sudden when he was ready to give up. I do not think he should have spoiled a good contribution by getting so badly off the track.

I was going to deal in my effort with some of the things that are happening in Hamilton; some of the problems in Hamilton. I might add that I feel more serious about the situation now.

I was at the unemployment insurance office this morning at 9 o'clock, and it was crowded as usual, and there were looks of hope on some of the faces and looks of hopelessness on some of the others.

Many of the people looked half-frozen because they did not have adequate clothing for the zero weather we had in Hamilton this morning.

Although I was going to deal with some of the problems in Hamilton, because of some of the remarks made, I am going to say just a couple of words on another subject, and that is the mention of high wages.

I first came into the House in 1956—my

first session—1957 and 1958; and, in all the speeches we heard from the hon. Ministers, there was news of the great progress of this province, the industrial progress of this province—and they always ended up with: “But we have got to be careful; the trade union movement has got to start and cut down; we have got to watch their requests for higher wages.”

This was echoed by business, during that period.

But, then, in the early part of 1959, a new trend took place. Some learned people—some people more concerned and more realistic—said outspokenly that the trade union movement and high wages were not responsible for our economic ills.

I thought that question had been cleared because it died away, but here again tonight we hear the hon. member for Huron ending up by saying that labour has to cut down wages, hold the line, and also making the ridiculous statement that they should start to increase their hours.

What a statement to make in a time like this, in this day and age of industrial democracy and a time of high unemployment!

Now government and big business continue to wail the propaganda song, that the loss of markets are the cause of unemployment, and that high Canadian wages are the cause of loss of markets.

To this, one should simply say to the wage earner: “Look at your take-home pay and see if you have got too much; see if you have got enough to take your real part in our economic society, to buy the things you need, to save for your house, your car, your TV set, your insurance, your medical bills, your children’s education, your family’s food and recreation.” Then I think they could take the high wage swan song for what it is.

I am not advocating at this particular time, Mr. Speaker, that there should be higher wages. But I certainly do not think that men in industry today are getting too much money and that the present wage scale has been the cause of the things we are faced with. The average wage in Ontario today is something like \$78, and we must remember that this ranges from something like \$35 up to maybe \$155 a week.

Expert economists now agree that the root of our problem is the overexpansion, and spending, in the private structure of our economy and not enough in the public field for hospitals, schools, sewage disposal and other things for the public good. They are now admitting that there is a great lack of secondary industry.

Let us take another look at the trade union problem. When we talk about labour holding wages—I have said this before—I wonder if those who keep echoing this know that union members are a minority in the work force in this province and in this nation. Out of over two million in the work force in Ontario, there are only 500,000 in the organized trade union group. As I have said before, in our postwar industrial progress there is no organization that has played a bigger part in the industrial progress in this province than the trade unions. But when we look at the roughly one million in the work force who are not organized, and who are getting substandard wages and cannot take their part in the purchasing power of this country, we realize it helps to create the overall problem.

When we had the steel strike in 1958 we were faced with the same thing. We were told it was about time we stopped asking for increased wages and started holding the line. The steelworkers at that time were the first group to suggest a hold-the-line policy. When they set up the Royal commission to look into the affairs of the industrial strike in Hamilton, the steelworkers’ leaders offered to reduce their demands if they had some guarantee from the company that they would not increase prices. On the record is the answer from Mr. Hilton: “You look after your collective bargaining, we will look after the prices we charge.” And that has been the story right through every set of negotiations.

Mr. Speaker, a few facts and figures have been mentioned, and I want to make a few remarks because I think that we had a lesson on trade imbalance some years ago and we have not paid too much attention to it. According to the United Nations *Year Book*—the international trade statistics, 1955—of the 12 major countries, Canada has the highest import per capita of \$3.15 billion in United States dollars at the rate of \$225 per capita. United States had \$3.923 billion for a rate of \$26 per capita. If there had been the attention paid at that time to this imbalance, we maybe would not be in as bad shape as we are now.

In 1959 Canada imported \$5.7 billion worth of goods and material. Of this amount 78 per cent was fully manufactured, ready for the market, and of this 78 per cent, 80 per cent was imported from the United States.

This has been said before, but I think it needs reiterating, as this is one of the bases of the problem. We are consuming these goods, Mr. Speaker, so I think we must start to produce them. Secondary industries

in Canada must be developed if our present unemployed ranks are to be reduced and our growing working force kept in full production. No other sector of the economy offers the necessary potentials to maintain full employment.

Mr. Speaker, it has been often said in this nation that "as goes steel so goes Canada." And of the 17,000 in the steelworkers' union in Hamilton, 27 per cent are out of work on layoff—4,000 on layoff—some of the men with up to 18 years' service. There are an additional 700 out of that number on short time; as low as 3 days a week. This has the same effect as a 40 per cent cut in income for those involved, and many more still working are receiving lower pay cheques.

The picture is the same as this across the province in many industries, and even further cutbacks are indicated.

One does not have to say what effect this has on the retail businesses. The unemployment situation in Hamilton is still mounting with, at the present time 17,677 without work. This is over 1,400 more than a week ago, and about 4,500 more than for this time last year.

There are more people on city welfare at this time in Hamilton than since the end of the war. The welfare department in Hamilton had an overdraft of \$265,000 two weeks ago and I assume that it is higher at this time. Many people are faced with the loss of their homes, their furniture and other chattels, and we must say that Christmas greetings for many this year will be untimely and out of place.

The winter works programme, as far as Hamilton and area are concerned, is just a drop in the bucket. Of some 90 projects approved in the Hamilton area, only 33 are under way—employing, when they get them under way, about 375 men. The government's immediate solution, calling for optimism and confidence, is hollow sounding at the best. For how can one be optimistic and confident with no job, and a family to keep?

I was a little startled, Mr. Speaker, in reading in the *Toronto Daily Star* of November 16, when the hon. Prime Minister, on laying the cornerstone of the new Scott mission on Spadina avenue on November 15, was quoted as saying:

If some of the welfare work done by the government could be handed over to the churches, it would be very well done. Here is a church that is doing its work, meeting a challenge of conditions which

are going to be common in our great province which has added two million to its population in the last 15 years.

I agree that the Scott mission has done a great humanitarian service; but for the hon. Prime Minister of this province to complain that these conditions are going to continue to be common in such a great industrial province as Ontario, and to pass the buck to the church, is nothing less than scandalous and an admission that his government is incapable of solving the problem of unemployment.

Hon. Mr. Frost: I never said such a thing! That is just a figment of the hon. member's imagination.

Mr. Bryden: He did not say the hon. Prime Minister said it!

Hon. Mr. Frost: Such imagination as the hon. member has—

Mr. Bryden: He did not say the hon. Prime Minister said it!

Mr. Gisborn: What part of my remarks did the hon. Prime Minister not say?

Hon. Mr. Frost: When the hon. member referred to me, I thought he said that I said this.

Mr. Bryden: No, he did not say that the hon. Prime Minister said it.

Hon. Mr. Frost: Well, what did he say then?

I had nothing to do with passing the buck to the church or anybody else. I say that such imagination as the hon. member has is distorted. I never said such a thing.

Mr. Gisborn: I quoted the hon. Prime Minister as saying that some of the welfare work done by the government should be handed over to the churches, and that this would be very well done.

Hon. Mr. Frost: When was this? Where was this?

Mr. Gisborn: The *Toronto Daily Star*, November 16. These are the words attributed to the hon. Prime Minister. He says that the mission was "meeting the challenge of conditions which are going to be common in our great province which has added two million to its population in the last 15 years."

And I say if those are the words of the hon. Prime Minister, it is scandalous to proclaim that these conditions are going to be common.

Hon. Mr. Frost: That is all wrong! It is pure nonsense! The hon. member with a smooth look about him is trying to suggest I said things that I did not say at all.

Mr. Gisborn: The hon. Prime Minister has just been quoted. Is that an incorrect quotation?

Hon. Mr. Frost: As quoted by the hon. member. The hon. member is the disgrace around here, not me!

Mr. Gisborn: There it is, right there.

Mr. Bryden: Simmer down! Simmer down!

Mr. Gisborn: If that is not what the hon. Prime Minister said, that is the way I took it, because that is the implication I got from it.

The unemployed will only be optimistic and have confidence in the future if they have jobs and money to provide for themselves and their families. On the one hand we have unemployment while on the other we lack hospitals, schools, roads and low-cost housing. While these conditions prevail, we have no right to brag about our great industrial province.

I paid attention to the remarks of the hon. Minister of Public Works the other day when he outlined what his department was doing or has done. I am sure that is the job of his department; we did not think we were going to close it down! But when he ended up saying that, and I quote his remarks—I checked them, they are the same as in *Hansard*—"There are plenty of jobs available on the farms. Living conditions are good there, much of the drudgery is gone, much of the work is being done now by machinery," he said.

Here is a further quote: "Wages on many farms are comparable to wages in industry." He said that any man with a farm background who is unemployed should take a good look out in the country, that there might be an opportunity there which he never really realized existed.

I questioned the hon. Minister about it, and he wanted someone who could really do farm work. I guess it was one advertisement for one individual. I saw no further advertisements since that time.

Then I pick up the report from The Department of Labour this morning, and it says:

The continuing decline in persons employed in agriculture could cut Canada's farm labour force fewer than 500,000 by 1979 or 1980.

The report, which covered the 1921 to 1959 period, said the agricultural labour force reached its peak in 1939, that is just after the depression when they were working on farms because they had to eat. And it began a rapid decline in the 1940s. It said that between 1946 and 1959, the number of persons with jobs in agriculture declined from 1,186,000 to 692,000, an average decline of 38,000 a year.

The report attributed the decline mainly to greater mechanization on the farm and the subsequent need for fewer workers. Farm workers were mainly older persons now, with 42 per cent of them 45 years old or older. The report said average farm wages with board for male workers was \$35 a month in 1941 and \$120 a month in 1958. It said they still are lower than wages paid to many unskilled workers in other industries.

Mr. Speaker, I mentioned the winter works programme—

Hon. R. Connell (Minister of Public Works): I would just like to say, Mr. Speaker, let the hon. member for Wentworth East ask this great farmer here on the far side! There are many hundreds of farmers who would still like to get some farm help if it is available to them.

Mr. Gisborn: I would say to the hon. Minister, I ask him to give us what he has to offer and we will find the people. When they approach the hon. Minister, he says: "Well, we want somebody who can milk a cow."

Hon. Mr. Connell: I never said that!

Mr. Bryden: He is not offering a very wide range of employment if he is putting that qualification in, so let him not criticize the fellows in the cities who do not try to take the jobs.

Mr. Gisborn: Mr. Speaker, I mentioned the winter works programme, and I picked up an article that struck me as odd. The mayor, Donald Loucks, said in Peterborough yesterday the city had rejected an appeal from 14 men that they should have been given 7 days' notice before being laid off on a winter works project last Friday. The men, employed on clearing rubbish from a polluted section of the Otonabee river said they were told Friday morning that work would end that afternoon.

The men were told yesterday that they were hired under a plan to employ 14 men for a 4-week period and after that they would be replaced by other unemployed men

so that as many jobless as possible would be given work.

The men said, since they pay dues into the national union of public employees, they should have been given notice under a clause that the union has in its contract with the city covering outside workers.

The point is, that here they are using the winter works programme to in some sense violate union contracts and to subsidize poverty in that city: Hire so many for a period and lay them off and put another so many on. The men who are laid off have to go back then and re-establish themselves on welfare, or whatever else they live on, after that period is gone. I think that a closer look has to be taken at some of those things.

There have been a lot of statistics mentioned and an hon. member said the problem is not as serious as it seems. But the latest figure from unemployment insurance is that unemployment insurance claimant No. 330,200 registered by October 31, up 18 per cent from the previous month and 32 per cent above comparable 1959 levels. This is from the bureau of statistics report today.

So it is a serious matter, Mr. Speaker.

Therefore, I certainly support the amendment to the amendment: providing, in co-operation with the federal government, 75 per cent of materials as well as labour cost incurred in approved winter works projects; increasing allowances to the unemployed and other welfare payments; urging the federal government to increase unemployment insurance payments so as to expand consuming purchasing power; laying immediate plans for large-scale expansion of public housing projects, with particular emphasis on the provisions of low-rental housing; taking full advantage of the provisions of schedule M of The Vocational Training Act under which the federal government will contribute 75 per cent of the operating and capital costs involved in providing periods in technical training; introducing legislation immediately to reduce the legal maximum work week from 48 to 40 hours.

Mr. P. Manley (Stormont): Mr. Speaker, I rise at this time with a very heavy heart indeed, because I want to say something about the city of idle men. No doubt hon. members have looked at the *Toronto Star Weekly* of November 19, a copy of which I have in my hand. There is quite a lengthy article about Cornwall and its position in regard to unemployment at this time. I am sure that a number of hon. members last night saw Norman Depoe's programme, on television,

demonstrating the position that exists at the present time in the city of Cornwall.

I was not able to see that programme because I was on my way to Toronto. But I believe that it went over the Canadian broadcasting system right across Canada and it showed pictures of the idle mills with no smoke coming out of the stacks. I think that has demonstrated that we have in Cornwall today a number of people being forced out of business through assignments and other causes owing to the unemployment situation.

When this debate started, Mr. Speaker, at the first part of the session, I obtained a report from the national unemployment office which showed—and this is under date of October 31, last—a total of 2,867 people registered for unemployment with that office.

I have been keeping track from week to week since that time up until today, and I find that each week there has been a substantial increase in the unemployment list. I heard on the radio the day before yesterday that we have now over 3,600 people unemployed in the city of Cornwall.

Mr. Speaker, when this motion was brought before the House, and when some of the hon. members on this side of the House were delivering speeches, the hon. Prime Minister said: "Wait until you hear from the various Ministers in my government." Well, Mr. Speaker, I have waited all this time and we have heard a number of the hon. Ministers from that side of the government open this fine green door, and we waited with the greatest of expectations.

I was very optimistic that something would come from the hon. Ministers on that side that would relieve the situation, not only in the city of Cornwall but right across the whole province. Yet, up until this time tonight, I do not think that a single hon. Minister or one hon. member supporting the government on that side, has come forward with any solution whatever which will relieve the situation we are facing, with this cold and dreadful winter coming upon us at this time.

It is very interesting to hear what the hon. Ministers had to say. It was the same old story we have heard from time to time, year after year, that their programme was employing so many people. We have heard that with the winter works programme, we have heard it in other lines of argument both by the hon. Ministers and by the hon. government members supporting it, and I cannot see in any of the programmes how we are going to better our position.

I want to talk about how the situation has come about to a great extent in the city of

Cornwall and in that area. As hon. members know, when the Hydro-Electric Power Commission of Ontario and the seaway authority started the joint project, we had great hopes in that part of the province, and men flocked there from distant points to secure employment. The wages were high.

The city of Cornwall for a few years did have quite a boom. There was quite a bit of prosperity in the area.

Then the projects came to completion, or almost, and men were laid off. A number of those men who came in there, got married, purchased homes, and they liked Cornwall and the surroundings. They thought when this project was completed that industry would flock into the area and they would secure further employment.

That has not taken place, Mr. Speaker, much to the regret of the people in that area who have been doing everything in their power to induce industry to come to Cornwall.

Something else we should look at, at the present time, is the situation that those people are in. We had the closing of Canadian cotton mills in Cornwall within the last year or so, which threw another 1,500 people out of work. These men did not know any trade other than working in the cotton mills; men of 40 and 45 years of age who have never done anything else in their lives, and who cannot qualify for some other line of endeavour.

There has been mention of The Department of Education setting up schools. I heard the hon. Minister say this afternoon that they can set up one of those schools in great haste. But I say to the House that they are moving in much greater haste now than they did all fall, because away back in the summer, through the local boards of education and through the members of the council in the city of Cornwall, they endeavoured to get a school established there. There were over 700 men registered to take special classes in order to equip themselves to take other employment.

We have only to look at the amount of money the city has to pay to take care of the relief of Cornwall. I have the statement for October before me and there is something which is astonishing. It is something I think we should take particular note of because—for the month of October—it amounts to \$66,802.81. Now, with the increase I mentioned, Mr. Speaker—

Hon. Mr. Frost: Mr. Speaker, is that net or is that contributed to?

Mr. Manley: That is the report as it is sent in to the government. That is the city of Cornwall's relief bill: \$66,802.81.

Hon. Mr. Frost: The government pays 80 per cent of it.

Mr. Manley: With the increase in the number of unemployed that is building up from week to week and from month to month, what will be the amount of money paid towards direct relief between now and next April? And what can be more degrading to a man than to have to go and ask direct relief for himself and his family?

I do not know why this government has moved so slowly—or the Ottawa government—because I say to the House this evening, and I say in no uncertain terms, that there was neglect on the part of this government to take care of the situation in Cornwall.

They talk about how much they are doing. The government themselves are as much to blame for the situation as industry or anyone else. We see government departments laying off men from time to time, and they are doing it at the present time.

Hon. Mr. Nickle: Will the hon. member let me ask a question?

Mr. Manley: Just a week or so ago, Mr. Speaker, the St. Lawrence seaway authority sent out a notice to their workers stating that, as of November 30, their services were no longer required.

Hon. Mr. Nickle: They did lay off men, but now they are starting to take a few of them back again. The hon. member has no complaints, really, about the St. Lawrence development commission, has he?

Mr. Manley: Just that they laid men off.

Hon. Mr. Nickle: But he is pretty happy with them?

Mr. Manley: Well, I am giving you the facts, Mr. Speaker.

Hon. Mr. Nickle: I just asked the hon. member, did he not agree to a simple fact?

Interjections by hon. members.

Mr. Manley: They have laid them off; they are hiring some of them back again.

Mr. Speaker, the citizens of Cornwall saw this situation coming and, as I said, have been endeavouring to do something about it.

They have formed what we call the Cornwall industrial development association. They have gone out, and they are doing it

at the present time, selling shares at \$25 a share; and they have already bought the entire cotton mill plant. They have 1,250,000 square feet of floor space available. They have acquired those buildings for the purpose of renting, or selling, or doing anything possible in order to help small industry get established.

The people in Cornwall behind this project are just ordinary citizens concerned with the future of Cornwall and this province; and they are endeavouring to do this, and to spend their own money in order that Cornwall can come back again to the position which it rightfully deserves.

There has been mention of solutions, of what could be done. I think that this government should look at the situation particularly in Cornwall, because the hon. Prime Minister in his remarks early in the debate, did say that the average of unemployment across the country was about 5 per cent, as I remember the figure. I am sorry to say that the percentage in Cornwall is over 3 times that amount.

That is a situation, I think, that the hon. Prime Minister should take a look at.

I had a motion on the order paper, a year ago, in regard to Elliot Lake, and we had quite a debate on it; but the situation in Cornwall is just as bad as it was at Elliot Lake one year ago. I think the government should move in all haste to try to do something for the people of Cornwall because they are endeavouring to help themselves.

Space is available there, and I am sure that some industry can be brought into the area. I am sure that this government can do something to help locate them there.

Something should be done along the lines of setting a certain amount of cheap power aside for that area, because we have the development right there and that is where the power is being created.

Then I think we have to go a little further, and go into the high schools each night and give an hour or so of training to young men, or men in their middle age who seek other employment.

If we are going to be the industrial centre that we would like to be in this part of the province—and again I quote the words of the hon. Prime Minister: “The gateway to eastern Ontario”—then I think it is time that we had a school of technology set up right in Cornwall, in order to train all those young men who are seeking employment for the first time.

The curriculum we have in the high schools

today is not sufficient to take care of our young generation. Many Cornwall citizens cannot afford to send their children elsewhere to receive higher education. But, if we had a school of technology teaching all the different trades, right in the city of Cornwall, then people residing there could avail themselves of that higher learning.

Then, of course, we have a situation today, a very serious situation, in eastern Ontario—and no doubt it applies to other parts as well—where we find ourselves in difficulty in regard to retarded children. Cornwall needs a school for retarded children at the present time.

The numbers are increasing all the time and I think that we, as members of the Legislature, have a duty to those unfortunate children and to help families that have the misfortune to have a retarded child.

The situation at the moment, in regard to the hospital at Smiths Falls, is that there has been a waiting list there for years and years. You cannot get a child in there. We have the richest province in the Dominion of Canada yet we are in a position of that kind.

We have heard the hon. Minister of Highways (Mr. Cass) say that highway No. 401 will be rushed to completion ahead of schedule. I would say, Mr. Speaker, that, under the circumstances at the present time, we could greatly increase the work force in this province if we would go ahead with that highway at an even greater pace than that described by the hon. Minister.

I was much interested in what the hon. Minister of Planning and Development was saying a while ago, when he mentioned “Buy Canadian.” But, I would say to him, and to the hon. members of the government, that they should go down to Ottawa, if that is their belief, and talk to the people in authority there—because in 1959, Mr. Speaker, our trading deficit was \$593 million.

To a greater extent than any other nation, our imports consisted, as usual, of manufactured goods. These are reported in detail by the federal bureau of statistics, including the fascinating information that we import \$2.6 million in ballpoint pens and \$1.3 million worth of artificial teeth into this country.

We are not doing a good job in agricultural and resources products. For example, imports of fruits and vegetables reach about \$100 million. There are comparable imports of lumber, plywood, pulp and insulating board.

Industrial and agricultural machinery and equipment alone make up by far the largest group. Manufacturing of those machines and

apparatus in Canada would help balance our trade and provide jobs for about 300,000 Canadians.

If the government is so concerned, and if the hon. Minister of Planning and Development is so sure, that this is the right course to follow, then I would say that the hon. Prime Minister and as many hon. Ministers as possible should go down to Ottawa and see if they can straighten the situation out.

Mr. Speaker, the present hon. Prime Minister of this province was with the now Rt. hon. Prime Minister of Canada in those elections only a few years ago—I remember them quite well—when he said: “If you elect me as Prime Minister of Canada, no one will suffer from unemployment.” I say that there are thousands and thousands of people, just as this wonderful Christmastime is coming up, who are suffering and starving in this land of plenty. And it is time, I think, that we should not have lip service alone, but some action.

It will be a bad day, Mr. Speaker, if we do not take some action and take it pretty soon; because, if we do not—well, then, someone else is going to and it will be just too bad for Ontario and for Canada.

Hon. Mr. Frost: If the hon. members across ever got in, it would be bad for Ontario and Canada. That would, indeed, be unfortunate.

Hon. J. N. Allan (Provincial Treasurer): Although I rise particularly to bring some information in connection with the federal programme of assistance to municipalities in the construction of sewage works, I would like to relieve some of the anxiety expressed by the hon. member for Dovercourt, regarding the lack of conservation effort on the part of those responsible for such effort in this province, by pointing out to him that last year, after this province had produced crops for many years—more than a century—it produced the largest yield of agricultural products that has ever been produced in this province. That is, in the year 1959.

The average yield per acre was greater, as a whole over the province, than it had ever been before.

Hon. Mr. Frost: Hear, hear.

Hon. Mr. Allan: So, perhaps, we are not doing such a bad job after all.

Hon. Mr. Frost: They live in a state of gloom over there. That is not a government publication, that is by—

Interjections by hon. members.

Hon. Mr. Allan: So land is being well used and it is being well cared for in this province; and the proof of the pudding is in the eating. The year 1959 was a record one.

In connection with the programme of construction of sewage projects as outlined by the federal government, I would like to inform the hon. members opposite of some of the facts that they might have had earlier this afternoon if they had not been so impatient. And that is, that—as is known to them—the federal government is prepared to undertake a programme of sewage construction, throughout our country, of \$100 million.

A very great part of that programme—likely more than half of that programme—will be taken up by the municipalities of this province. And I want to assure the hon. members of this House, our water resources commission has been interested in the proposals. They are prepared to co-operate entirely with the federal government, and to assist the municipalities in every possible way to have the programme get under way almost immediately.

I am informed by officials of that commission that there are, already, prepared plans for \$3 million worth of sewerage work which should get under way very, very soon and will help to provide work during this winter—and, of course, later in the year and during the coming winter—that is, the winter of 1961.

Mr. Singer: Mr. Speaker, I wonder if the hon. Minister would answer a question?

Hon. Mr. Allan: Yes.

Mr. Singer: I wonder if arrangements are being made or being contemplated to allow municipalities to come before the municipal board to take advantage of this, without the municipal board applying the present standards? In other words, they relate assessment to borrowing capacity, and very often municipalities cannot go into these schemes because of the rulings of the board.

Hon. Mr. Allan: I was coming to that, if the hon. member would give me a little more time.

I think he already knows that this government facilitates anything that is good, and that the Ontario municipal board will give the applications in this connection top priority. Nothing will delay them. No blocks will be thrown under the wheels to slow up these undertakings.

And I might mention as well that the water resources commission will co-operate

fully with the municipality. In addition, plans have been prepared for water works to the extent of \$6 million. So rather than suggest that this government has done nothing, I am sure that the hon. members agree that everything that a government might be expected to reasonably do is being done with the utmost dispatch.

Mr. N. Davison (Hamilton East): In rising to take part in this debate, I do so in one way with regret; and that is regret because this government has not seen fit to take any immediate action to remedy the unemployment situation. I have to agree that the long-term programme has some merit, but on the short-term programme there is very little that is going to remedy the problem of unemployment, especially in the area of Hamilton.

I think there is always a reason for any recession or depression; and I think, to find out the reason, we must go back to the last depression in the 1930s. At that time it was a simple thing to define—there was universal unemployment.

I will not be long so the hon. members do not need to worry about the length of time I am going to take on this.

But at that time we were not able to find a remedy—not a permanent remedy—for unemployment. The only remedy we were able to find was the one that actually was not good; there was a war, and we were able to find work for our young people with a gun, and I think that was bad. At that time we were able to find work, also, for people in Canada, in supplying war needs.

With the end of the war, the backlog of unsatisfied needs kept our plants rolling for a few years. Then was the time we should have planned for the future, but neither the Liberal federal government of that day, nor the provincial Progressive-Conservative government of that day saw fit to plan. Therefore, the people of Hamilton, of Ontario, of Canada, are now suffering.

I would like to give some figures on the unemployment situation in Hamilton as it is now. I have looked up the figures for Hamilton and the unemployment shows a sharp increase over last year.

This weekend, there are 17,677 people in Hamilton, without jobs, who face the coming winter months with dread. They represent 10.7 per cent of the work force.

More than one person in 10 is unemployed in Hamilton. Last year 8.1 per cent were unemployed in Hamilton. We are 2.6 per cent worse off this year.

Now, as a rule, March is the worst time of the season—when we have most of our unemployment—and last March we had 17,000 people unemployed in Hamilton, out of a labour force of 163,000. This was 10.4 per cent unemployed. If we use this same percentage rate increase from November, 1959 to March, 1960—which was 4.1—and apply it to the November, 1960, figure of 8.8, we must estimate that 12.9 per cent of our work force of 165,000 will be unemployed.

It would be a most conservative guess that, by next March, 21,285 people in Hamilton will be wondering how to meet the rent or the mortgage payments.

The inability to maintain these responsibilities has an ever-widening effect on those still fortunate enough to have jobs. When you consider that we are 2.6 per cent worse off this year than last year, we could have between 25,000 and 26,000 unemployed by March, 1961.

In October this year, we had 4,820 people on city relief welfare rolls. In November, we had 5,574 on the relief rolls, an increase of 27 per cent over last year.

The people are either unemployable or have been unemployed so long that they no longer receive unemployment insurance benefits. In other words, they have been living for a long period of time on a sub-standard basis; and I am of the strong opinion that it is necessary for welfare benefits to be increased to a point where these people have at least sufficient purchasing power to maintain a decent standard of living. It is the responsibility of this provincial government to make these funds available.

This is a general picture in Hamilton; now I would like to take a look at some of the industries.

We will take the secondary industries in Hamilton—for instance, the Westinghouse Company. In the last 15 years, employment in the Westinghouse plants has dropped from 6,500 to 2,800. I notice the government plans to promote secondary industry. I wish some emphasis had been placed on recovering some of the secondary industries that have been lost to us.

The electrical industry is a good example of a secondary industry that is disappearing. They used to manufacture most of the parts for their products. Over the past several years, they have manufactured less and less, and have imported more and more parts from the United States. They are becoming an assembly plant only, and this has resulted in the loss of many jobs and skills.

The situation is similar in the auto industry.

At the present time, the Studebaker plant in Hamilton is shut down completely this week; and, starting next week they are going on a 4-day week, so the earning power of the auto industry in Hamilton is very bad.

We all know the situation in the textile industry, where plant after plant has had to close down. There are about 300 more truck drivers out of work in Hamilton this year than last year.

I had an odd experience this weekend. We were talking about the unemployment situation in Hamilton when one of the people in my riding called me up to say he had just received a letter from a friend of his in Scotland saying he was coming over to Canada. He said there seems to be lots of work because the immigration department in Scotland, through the counsellor, had told him there was all kinds of work for carpenters and painters in the Hamilton and Toronto area.

Now I do not know about the Toronto area, but I certainly know that, in the Hamilton area, out of 800 union carpenters, we have 300 of them walking the streets today.

I also have clippings from papers in the old country where they are advertising for workers, foundry workers, painters and carpenters.

Now I think the time has come for, I presume, the hon. Minister of Labour to maybe get in touch with Ottawa to see if this cannot be remedied. I do not think these people at this time should be brought over here under false pretences.

I think if there are jobs here for them, we certainly should have them. I am one who is definitely not against immigration; I think we need it, but I do believe it must be on a planned basis.

I do not think it can be the type that is going on now, where people in England and Scotland are told there are all types of work for them over here, when actually there is no work at all.

Take that person; he lands here, and there is no work for him; what happens? He can do one of two things; he can pack up and go back to the old country—and that is not a very good public relations job as far as Canada is concerned, because he definitely is not satisfied and he will tell that to the people over there—or he can go on relief here. Neither one of those two prospects is too good.

I think we need some other remedies for the unemployment situation, and I would

just like to state a few of them in the Hamilton area.

On the top of the mountain in Hamilton we have the Barton street high school, built this year—in fact it is not quite completed. It is intended to hold 1,000 pupils and that school today—and as I say it is not completed—already has 65 pupils in it.

We need schools in the Hamilton area.

We also need hospitals. I had to go in the hospital this fall; I went to see my doctor on September 16 and I asked when I would be able to go into the hospital; the nearest date when I could get a bed in the hospital was two months later, November 14. As it happened there was a cancellation and I got in a shade early.

Now those are two things that are needed in Hamilton very badly and there is certainly lots of work in building hospitals. The east end of Hamilton needs a hospital very badly.

We have another situation there where we have people working in plants on an overtime basis. Those plants are working on the basis of a 40-hour week, and at the same time they are on two shifts of 12 hours.

I would think, at a time like this, there should be a ban on overtime. I think this government has a responsibility to try to see that the work of this province is spread around, and I feel that those plants that are working this type of overtime should not be allowed to do it. They should be forced, in some way, to bring people, skilled people, in off the streets, because we have lots of skilled people in Hamilton out of work in practically any trade you can think of.

We have other plants in Hamilton that work, although they are only working one shift, practically every night until 8 and 9 o'clock. I do not think there is any need for that, and I think this government has some responsibility to prevent it.

We have the 48-hour week in Ontario. I believe that now the 40-hour week is what is needed, and I think that this government should make it the law, at least in the city areas. The small towns, perhaps, do not have that problem but, in the city areas, I think the 40-hour week is very important. I hope this government will see fit in this session to make that one of the laws.

Even with the 48-hour week, we have factories in Hamilton—small factories, mind you—that are working 52, 54 and 56 hours. Now that employee can kick about it; he can put in a complaint to the hon. Minister of Labour; but where does he end up?

He ends up out on the street—because he will likely end up being fired for putting in the complaint; that is all the protection that fellow has in a small plant. In the union plants it is a little different; he has a little more protection.

I was interested in two things here this evening. I read on November 22, I believe it was, that the Rt. hon. Mr. Diefenbaker made this statement: "Let us turn again to productivity."

He obviously had some solution under wraps. We must find out what it is, and I hope he will tell me, because we have 17,277 workers and their families in Hamilton who are very anxious to cast out gloom and return to productivity.

The hon. Minister of Planning and Development in his speech tonight said—and this is a quote from him: "I am an optimist, I have faith in this government." All I can say is that one has to be an optimist to have confidence in this government.

Mr. L. Troy (Nipissing): In my riding of Nipissing, there are also many unemployed. I notice the present mayor said the other day that, with the winter works programme, there is no need for any man here willing to work to be out of a job. It is rather strange because there are 1,400 of them in the eastern part of Nipissing—1,400 men and almost 500 women—who were registered with the unemployment insurance as being unemployed.

I noticed some facetious remark made about dentures when the hon. member for Stormont was speaking. Unfortunately, it will not be dentures they will be having in Cornwall, it will be indentures, I am afraid, if present conditions continue.

We have in the city of North Bay and in the adjacent areas of Widdifield and West Ferris, certain winter works programmes. They are not very large—some sewage works in North Bay and some in the township of Widdifield, waterworks and construction of a park there that will give a certain amount of employment to those on the rolls.

We have a new shopping centre to be erected by one of the national organizations that has shopping areas all over the country. I understand they are rushing it immediately so that they can offer work for some of the people in the area who are unemployed.

The number of unemployed is being added to annually, not only by those who are seasonally tossed out of work, but by the thousands of older workers who are tossed out because there are no further jobs for them in their particular industry. Also, the labour force

is being swelled annually by those thousands of young people who enter the work force for the first time.

How to get these young people and older men into the work force is an urgent problem at the moment. My hon. leader and the other hon. members of my party have offered what I think are very valuable suggestions, and I think they were offered most seriously. Certainly, anyone who heard the hon. member for Stormont, a few moments ago, could not but have a feeling of sympathy for the people of that once very important industrial area. Other areas too; in this city, in Hamilton, in Windsor, all have been pointed out by other hon. members as being areas where there are thousands out of work at the moment.

This is the most serious domestic problem. We have had suggestions and solutions by the federal government. Those were probably for long-range plans. But for the moment we need something, as my hon. leader has said, to put them to work and also, the hon. Minister of Highways has said he is desirous of putting men to work so that they will have some type of pleasant Christmas.

I must, at the moment, congratulate the hon. Minister of Highways and his people, particularly in my own area. There was a resident in the Redbridge area who lost his home recently by fire. He has 5 young children; all of pre-school age. The Department of Highways in the district of Nipissing took him on immediately to give him some employment. I think they should be congratulated for that.

It is bad enough now, and those of us who have some experience of the 1930s hope it will be nothing like that. But we all know, as the other hon. members have pointed out, that as the winter progresses, if history repeats itself, there will be other thousands added to this force. We have memories of the 1930s, and we hope the spectres that stalked the land in those days will not appear again.

It is certainly a grim outlook in many cities and our unemployment insurance funds are drained, almost to an alarming degree. There has been an extension of grants to municipalities to engage in winter works programmes. But so many of these municipalities are already staggering under financial burdens that it is a question whether they will be able to take advantage of them.

Our railways, at one time our most stable industry, have been undergoing great changes and a period of massive readjustment in the last 3 or 4 years. I think both transcontinental railways have reduced their staffs at least 12 per cent in the last 3 years.

The problem of automation, of course, is

basic in North America. It certainly appears to be basic in this railway industry. New industries, therefore, must be located to take up the slack; to put back into the work force those already unemployed and to prepare for those who are to come into that work force next June.

The layoffs in the railways have hit my own home area. At one time the city of North Bay was a great railway centre. We had the headquarters of the Algoma district of the Canadian Pacific Railway, also of the Canadian National Railways and it is still the headquarters of the Ontario Northland Railway.

In recent months many long-service employees of these 3 lines have been discharged with just a few days' notice. On a Monday morning they come to work and they find that after 20 years of employment—and sometimes up to almost 40 years and more of service for these railways—they have been told: "You are no longer wanted!" They are thrown away just like an old shoe.

Many of them, however, are still young enough to benefit from some retraining programme. I certainly hope that in my own area they will take advantage of this retraining programme and make arrangements to set up a committee so that they can enter into a liaison with The Department of Education.

I am sure we have in the House two members of the commission. We have the hon. Minister who answers for the Ontario Northland Railway, and they certainly must know that there are many employees of that railway who have lost their jobs recently. I understand the railway is down some 40 per cent. However, I noticed the hon. chairman of the commission, just recently, painting that glorious picture of Moosonee. I hope it crystallizes. But he looks forward to the day when there will be a 400 per cent increase in the freight carried over that line. I hope it occurs in my time, certainly in the time of the younger hon. members of this House anyway.

There must be a retraining of these young men in the declining industries. They have done so in Britain, as the hon. member for Dovercourt has said. They have done it also in Sweden, and certainly it can be done here. We, too, must take people out of declining industries and put them into industries that are expanding.

We should have had a realistic survey of the work force of this country long ago. The veterans' organization to which I belong has been demanding that for a long, long time.

We asked not only the present administration, but also the previous one—the St. Laurent government too—to conduct this survey; but nothing was done.

It is strange, when one looks in the issues of the metropolitan newspapers, to find long columns of jobs open in various industries. They remain vacant and, at the same time, many are walking the streets unemployed.

I think we should certainly attack this thing properly; we should have a survey to find out just what talents are available and what skills are needed.

The time is getting on and I shall certainly touch on some of these points later. I want to point out that certain things in my own particular riding can be done to help the situation.

I must again congratulate the hon. Minister of Highways. As he mentioned this afternoon he has brought forward works in certain areas, particularly in the western end of my riding—the Noelville-Lavigne area. I only hope that he is going to do some structural jobs. Also, I hope that he will do something about highway No. 64, so that the bridge material, which has been lying there for some time, may be put into use.

I believe in the township of Chisholm they have a couple of structural jobs that are needed and I hope he will do something about them.

Also, if there is anything planned for the trans-Canada highway—the original one that runs from east to west through the city of North Bay—if there is anything further planned on highway No. 17 east of North Bay, certain jobs can be done in the winter time. We certainly can do some brushing and grubbing and other jobs.

Perhaps we can put some trucks to work too, because the truckers are definitely in a bad way in many parts of my riding. Many of them do not own their trucks but are paying on them. With no jobs and no money either, for food, their trucks and their source of employment for the next year will be gone.

Then, as I say, there are some dangerous hills in certain sections. I know in the township of Bonfield, the school bus drivers have complained about the situation. We have had accidents in connection with school buses recently—not level crossings—in my riding. There is always a possibility of serious accidents on these dangerous hills, and we want to avoid those if at all possible.

Then in respect to The Department of Lands and Forests, my hon. leader spoke

about the project which could be done there—a project of conservation.

We had a disastrous situation in my riding last spring. It was not declared a disaster area. I do not know why because there were certainly those who suffered there. They felt it was disastrous, certainly to their own business. That will be touched on later.

There are projects of conservation too. We need a conservation authority. The riding of Nipissing is faced annually with the possibility of floods and thousands and thousands of dollars' worth of damage. In fact, I think through the years there has been millions of dollars' worth of damage created—

Hon. Mr. Nickle: Now, can my hon. friend tell that story?

Mr. Troy: I thank the hon. Minister very much for reminding me. I did not need it though, I had it down here on the paper,

I was going to say that we hope that from a meeting which the hon. Minister arranged, he give me permission to release a story that some preliminary action will be taken so that, eventually, the area of Nipissing will be protected except from some disaster over which we have no control—

Mr. Bryden: He is doing pretty well by himself.

Mr. Troy: That is right.

Hon. Mr. Nickle: We are just trying to help him.

Mr. Troy: Well, the hon. Minister is quite helpful. I hope it continues that way. I hope also that the vision about the Ontario Northland Railway will materialize. I see a picture here of the hon. Minister waving his hand in the summertime, and saying that the railway may be the key to the treasure chest of the north. I hope that we both shall see that day.

I am sorry that the hon. Minister of Lands and Forests (Mr. Spooner) is not here. There are certain areas in my riding in which access roads could be built with advantage. He knows them and I hope he will be able to build them from the money available.

I understand, from the hon. Minister of Municipal Affairs when he spoke the other night, there is a certain amount of money available for these projects.

There are several cases there in which money can be spent with good effect.

There is, in the western section of my riding, in Haddow township, a wonderful area

for parks. I understand the department has that in view. I hope that some of that work can be done this winter because, in that section, there are many men who are unemployed. As the hon. Minister of Planning and Development knows, there are many unorganized townships in my riding, and there are no municipalities to organize winter works programmes for them. I hope the hon. Minister will consider that.

Finally, there are works that might be done this winter in regard to public buildings. I know that the former member for my riding, who is now the sheriff of Nipissing, has said that there was to be a highway building—the land is already purchased—a great highway building on which \$1.5 million was to be spent in North Bay. That is a project that the hon. Minister of Public Works might get on with.

As the hon. Minister of Health (Mr. Dymond) knows—he has said so several times—the Ontario hospital in my riding is still without that very important heart of a hospital, the surgical unit. Possibly he might get on with that.

I hope that considerable work will be done on the home for the aged for West Nipissing—the sod was turned recently, but I do not know how much they will be able to do in the winter.

I hope, too, that The Department of Lands and Forests will come back again to that project they had in Sturgeon Falls. They planned for a building up there which was to be used partly as a sign-painting building.

I know that the ranger headquarters at Trout lake is not nearly as commodious as that lovely building I had the pleasure of being in last Saturday in Pembroke. I hope they will put up the building in Sturgeon Falls so that they will be able to do the job which is intended.

Now, these are some suggestions. I say, again, that my hon. leader and the hon. members of my party who have spoken before have given what, I thought, were good suggestions. The hon. member for Kenora gave some for his section of northwestern Ontario, and the hon. member of the government for the riding of Nickel Belt (Mr. Belisle), practically gave a speech which could have been given on this side of the House. He pointed out various things which can be done in the western end of my riding.

The hon. leader of the Opposition has outlined a very thorough project and a good plan. As he pointed out, the people are hungry now and will be much hungrier later on. So let us not only carry on with the long-range

planning, but get on with the job of getting action into the work programme.

Mr. Bryden: Mr. Speaker, as the hon. Prime Minister apparently is determined to have another of his endurance contests even this early in the session, I have no doubt he hopes that those who have had to endure listening to the numerous hon. Ministers who participated in this debate would by now have run out of endurance. However, that is not so. In fact, after listening to the hon. Ministers, I believe it is important to review some of the basic factors in this situation.

In October, 1959, the unemployment figure for Canada was 251,000. By March, 1960, the peak month, this had grown to 609,000 or an increase of 234 per cent. The Ontario figures were 72,000 for October, 1959, and 151,000 for March, 1960, or an increase of 210 per cent.

Let us bring it forward to the current figure, Mr. Speaker. In October of 1960, unemployment stood at 368,000 in Canada as a whole, and 120,000 in Ontario. If the increase between October and March is in the same proportion this winter as it was last winter, we can expect that by next March there will be more than 800,000 unemployed in Canada and more than 250,000 in Ontario.

I have heard it said that a girdle is a device designed to prevent figures from becoming facts. If we are to prevent the figures I have just cited from becoming tragic facts, we will need a much stronger and better constructed girdle than has been proposed to date by either a federal or provincial government.

The plain fact, which is only imperfectly comprehended by both the federal and provincial governments, is that we have entered upon a major economic crisis. Moreover, it is not something which has come upon us suddenly. Though the Liberals are now trying to make political capital out of the situation at the expense of the Tories—this ought to please one hon. Minister without Portfolio—the truth is that the origins of the present situation can be clearly traced back to the Liberal administration which preceded the present Tory regime. This becomes clear when one studies and sees the objective figures of unemployment.

In October, 1956, unemployment amounted to 3 per cent of the labour force on a seasonally adjusted basis. In the ensuing month, with a Liberal administration, this figure increased month by month and reached 4.4 per cent in June of 1957. In that month the long-suffering Canadian public threw off the Liberal saddle that they had endured for 20 years and put in the Tories. They put in

the Tories, acting on the assumption—which they have now found to be mistaken—that a change was bound to be an improvement.

Actually there was no real change at all. The Tories merely carried on the policies of the discredited Liberal administration and the drift towards economic crisis, which had already started, continued unchecked.

By August, 1958, the seasonally adjusted figure of unemployment had reached 7.5 per cent of the labour force. There was some improvement during 1959, but during 1960 the trend has been sharply upward again and the figure reached 7.6 per cent in October of this year.

During the past 12 months the average monthly unemployment figure in Canada has been 420,000. That is not the seasonal peak; that is the average over the whole year including what are supposed to be the favourable months of the summertime. There seems little doubt that, when the seasonal peak is reached next March, well over 10 per cent of the labour force will be unemployed. This is an indication of the size of the emergency we are now facing.

In relation to this crisis, the attitudes of hon. government spokesmen can be classified under 3 main headings.

First we have the expression of moss-encrusted Tories such as the hon. Minister of Reform Institutions who was left behind by the tide somewhere around 1890 and has not learned that the world has changed since then; or, by the hon. member for Huron who is once again singing the old Tory refrain that the unemployed are responsible for unemployment.

Then, as a second category, various hon. Ministers of the Crown have favoured the House with homilies about the little rays of sunshine their departments are spreading over the province, when it has already been demonstrated that the activities of these departments, taken together, are inadequate to deal with the present crisis.

Thirdly, almost all hon. government spokesmen have branded as pessimists those who want to face facts. Let us bury our heads in the sand, they say in effect, and refuse to admit that there is an unemployment crisis. This attempt to escape from reality may provide the government with a sense of well-being but it is small consolation for the thousands of people who are looking for jobs and whose hope is dwindling fast.

As far as my hon. friends to the right are concerned, I would like to congratulate many of them for their contributions to this debate. At times one would almost think that they

are ready to accept the CCF programme, though unfortunately they always seem to lose their courage just at the critical moment. Even so, there is obvious hope that in time they will at least move to the left of the Tories. I am hopeful, I am an optimist, like the hon. members over there were saying we should all be.

I am not going to attempt to deal in detail with what I conceive to be the basic causes of the present crisis or the long-term solutions to it, because those fundamentally are matters which are not under provincial jurisdiction. They are under the jurisdiction of the federal government, and although it is always an interesting pastime to give free advice to the federal government, my own belief, Mr. Speaker, is that we in this House, in the main, should confine our attention to matters that are under our own jurisdiction.

On the matter of long-term solutions, therefore, I will merely refer to the introductory paragraph in the subamendment which was moved by the hon. leader of the CCF (Mr. MacDonald)—in which it was recognized that the unemployment problem can be permanently solved only through long-term economic planning.

We got into a mess because of the failure of the pre-1957 federal Liberal government to undertake long-term economic planning, and the mess has become progressively worse because of a similar failure by the post-1957 federal Progressive-Conservative government; but, as I said, I am not going to dwell on that point.

I would like, however, to put before the House some ideas which I think are clearly within our own jurisdiction, or at any rate are matters over which we can have some influence.

They will not provide a permanent solution to the unemployment problem. They will not ensure that there will not be a recurrence of the present crisis at a future date—those are matters that only the federal government can deal with. But I think that in this House we should be concerned with measures that we can undertake to at least alleviate the present crisis. We should be giving prime consideration to ways and means of getting people back to work now.

I would again, Mr. Speaker, refer to the subamendment that the hon. leader of the CCF group put on the order paper. It contains a 5-point programme of immediate action.

I am not saying it is all-inclusive, and there have been additional suggestions made

by other hon. members that merit considerable attention. But I do believe that the 5 points, enunciated here, together constitute a programme that could make a significant contribution to getting people back to work in the very, very near future.

I will not deal in detail with all 5 points. I would like, however, to enumerate them.

Firstly, there is the proposal that the provincial government, along with the federal government, should contribute to material as well as labour costs incurred in an approved winter works project.

Secondly—and this is basically important—steps should be taken to increase consumer purchasing power now by increasing the benefits paid to unemployed people.

Thirdly, there should be a great expansion of public housing projects.

Fourthly, we should give some attention—and some serious attention, instead of the lackadaisical consideration that is now being given—to programmes to train the people, who are now unemployed, for useful contributions to our society.

And fifthly, legislation should be introduced immediately to reduce the legal maximum work week from 48 to 40 hours.

Mr. Thompson: May I ask the hon. member a question? When the hon. member suggests reducing the maximum work week, is he planning to reduce the wages correspondingly?

Mr. Thomas: The hon. member is out of order. He is not supposed to interrupt the speaker.

Mr. Thompson: I am sorry.

Mr. Bryden: No, I certainly do not propose that wages should be reduced accordingly. I have always been a firm believer in the principle that when reductions in working hours take place there should be no reduction in take-home pay; and I would say that is particularly important at the present time, when it is imperative that we maintain consumer purchasing power.

To reduce the legal maximum hours of work without providing for the maintenance of take-home pay would defeat its own purpose at the present time, or at any time, as far as I am concerned.

Mr. Thompson: It would mean about a 16 per cent raise in wages then, would it?

Mr. Bryden: In hourly rates, yes. At this time of night I would prefer not to get into

a detailed discussion of what happens when one reduces hours of work. But, certainly, experience in the past in the reduction of the working week from 48 to 40 hours—and there has been considerable experience in that field for the last 20 years—indicates that actually the increase in productivity is usually sufficient to compensate for the higher wage rate paid, so that the total labour costs, as an item in the cost of production, rarely changed at all.

Now admittedly, there are variations from industry to industry but I think that has been found to be the usual situation when reduction in working hours has taken place.

Mr. W. B. Lewis (York-Humber): He should think that over. He is glossing that over—that is for sure.

Mr. Bryden: Well, there have been many studies undertaken by the *Labour Gazette* on this point. The hon. Minister of Transport could perhaps regale himself sometime—

Hon. H. L. Rowntree (Minister of Transport): I guess I am just as much at sea with the labour conditions as my hon. friend, but I do not advertise it like he does.

Mr. Bryden: I was just stating that there have been some authoritative studies in this field not only in the *Labour Gazette* but in the *U.S. Monthly Labour Review*, and I am perfectly prepared to base my case on what they have said. However that is something of a diversion from the points I want to deal with, Mr. Speaker.

I would like to deal in detail with all 5 of the points in the programme proposed by the hon. leader of the CCF. I will content myself with some fairly brief remarks on, perhaps, 2 or 3 of them.

First of all, I would like to say something about the winter works programme. The hon. Minister of Municipal Affairs outlined the current winter works programme when he participated in this debate on November 28. Apparently he was not too satisfied with his efforts at that time—and, frankly, I sympathize with him on that—because, today, he tried to improve on what he said then even although he was clearly out of order in attempting to do so.

The essence of his argument was that whereas the winter works programme has only been a drop in the bucket in the past, this year it will constitute two drops in the bucket, therefore it is something about which we should all be very thankful. It is an interesting proposition but not, in my opinion,

a very important contribution to the solution to the current unemployment crisis.

According to information I received recently from officials of the city of Toronto, there are at present about 700 people employed on winter works projects in this city. Yet the number of people on relief alone adds up to 1,000 heads of families and 700 single people—1,700 people on relief alone for which 700 jobs have been provided; and, of course, the total number of unemployed in the city runs into the thousands.

City authorities advise me that they hope that an additional 700 people will ultimately be employed on construction projects under the winter works programme. However, since none of these projects will get under way until January, it is unlikely that there will be any increase in the number of people employed on winter works projects over and above the present 700, unless the winter turns out to be exceptionally mild. And I judge, from what people tell me about the weather today—I have not been outside since I came here this morning—that there are not many signs that we are going to have an exceptionally mild winter.

So 700 jobs in the city of Toronto, with some slight possibility of an increase if there is a mild winter, is the contribution of the winter works programme to the unemployment crisis in this city.

Municipal representatives in Toronto and elsewhere have pointed out, time after time, that the winter works programme can never make a significant contribution to employment as long as the federal and provincial governments contribute to labour costs only. That, it would seem to me, is self-evident; surely it does not need municipal officials to hammer and hammer at it. If the senior governments are going to contribute only to labour costs, then only a very limited range of projects can be undertaken.

Surely the government should consider, and the federal government along with it should consider, making contributions to material as well as labour costs, in at least some projects. I certainly do not expect that they have to give *carte blanche* in this but, surely, they can approve some projects where they will make a contribution to material as well as labour costs.

And if they would use reasonable common sense, and reasonable latitude in approving projects of that kind, I have no doubt that this kind of programme could in fact make the contribution to creating employment that the hon. Minister is trying to claim for the present inadequate programme, in flat defiance of all the facts.

Another point I want to mention, as proposed by the hon. leader of the CCF, is the reduction in the legal maximum work week.

I trust I do not have to clarify my position any further as to where I stand on the matter of wages where hours are reduced. But I do think that reduction in hours is an important phase and can make an important contribution to solving unemployment at the present time. After all, technological improvements are among the basic causes of present-day unemployment.

In many industries, it now takes many less manhours to turn out the same amount of production. Under the circumstances, it is surely time we took a new look at the hours of work legislation of the province.

This legislation, which provides for a 48-hour week, was enacted nearly 20 years ago and it is now completely out of date. Moreover, this inadequate legislation is not properly enforced as far as I have been able to make out, and there are many instances right now of excessive hours being worked.

The hon. member for Hamilton East gave some instances that had come to his attention in the city of Hamilton. I could give a great many instances in the city of Toronto but I will content myself with 2. I am sure that other hon. members could give instances of excessive hours being worked in their areas.

As far as the city of Toronto is concerned, a major manufacturing enterprise here is right now working men 12 hours a day, 6, and in some cases, 7 days a week. It has been doing this for the last 3 months.

A large store in Scarborough township has been employing women workers from 9.30 a.m. to 9.00 p.m., with half an hour for lunch and another half-hour for supper, every day last week; and last Saturday, the day before yesterday, these women had to work from 9.30 a.m. until 11.00 p.m.—9.30 a.m. to 11.00 p.m., Mr. Speaker—with only 15-minute breaks for lunch and supper.

These are things that are happening right now. These inhuman hours would be bad enough at any time, but they are completely incomprehensible at the present time when thousands of people are walking the streets looking for work.

I am suggesting to the hon. members to the right that perhaps they could consider these other people who are not there of their own will, as those of us here are. They did not beg the electorate to send them to the jobs that they now have, and I would hope that hon. members would have some consideration for the conditions under which some of these employees are working these

intolerable hours; and I submit that something should be done by way of the enforcement of existing legislation—as it is apparently not being properly enforced—and even more by way of an overall reduction in working hours.

This can certainly make an important contribution to getting people back to work. Let us spread the work around. There are lots of people to do it. As technological advance takes place, let us not make it or let it become an instrument of mass unemployment.

Finally, Mr. Speaker, I would like to make just one or two references to the question of vocational training. I am not going to try to deal with that important subject in any detail. Many hon. members have already referred to it. I am interested only in the question of training those who are unemployed.

The federal government has been attempting to encourage provinces to co-operate with it in this important work. I do not need to stress again, as many hon. members in this debate have already stressed, that a great many of the people who are now unemployed are people with inadequate or obsolete training; yet it is common knowledge that this province is and has been consistently dragging its feet as far as federal programmes for training of unemployed workers are concerned.

I listened with great interest to the references the hon. Minister of Education made to the activities of his department in this field this afternoon, and it certainly was hard to discover anything but a totally lackadaisical attitude in the whole field. Two of the instances the hon. Minister cited related to Atikokan and Deloro—which he said were matters which the government was looking into—were suggestions by the united steelworkers of America.

I would like to read, for the information of the House, the letter which the hon. Minister wrote to the united steelworkers of America with regard to that matter. This letter was written on November 10, 1960, approximately one month ago.

It was written to Mr. Michael Fenwick, who is the assistant to the director of district 6 of the united steelworkers, and it reads as follows:

I am replying to your two letters dated October 28, 1960, in which you request the development of a retraining programme under schedule M for the widely separated communities of Atikokan and Deloro which have experienced or are about to face serious problems in unemployment.

While a substantial effort is being made to alleviate the unemployment situation through a retraining programme, where such programmes can be organized with some prospect of success, I think you are aware that training of this nature cannot be regarded as a solution to the unemployment situation as it exists today.

In a number of areas throughout the province, however, communities are requesting their local high school boards to make greater use of the existing educational facilities for evening class programmes. All that is needed to prepare for action is a request to the local high school board or board of education.

Insofar as your request for training at Atikokan is concerned, this might be a first step to take. In the case of Deloro, situated in the vicinity of the Hastings district high school board, the facilities are somewhat better. Three high schools—Marmora, Madoc and Tweed—operate under this board, and the possibilities for extension of evening classes are proportionately greater.

While your organization is following up the possibilities suggested in this communication, you may be assured that a further study of the problems you have outlined will be undertaken by this department.

Now, Mr. Speaker, if that letter is evidence of any sense of urgency on the part of the hon. Minister or of the government, I would hate to see the hon. Minister when they were not in a hurry. The hon. Minister said on November 10, replying to a letter written on October 28, that "a further study of the problems you have outlined will be undertaken by this department."

Now we have moved along to December 11, a month later, and the hon. Minister advised us this afternoon that these departments were still undertaking further study of the matter.

His main suggestion to the steelworkers is that the best way to get rid of the whole problem is to try to pass the buck to the municipalities.

He apparently is not terribly impressed with the usefulness of retraining programmes as a method of assisting the unemployed to get back to work. But I would like to submit to the government that retraining problems for the unemployed are of the utmost importance, and the government ought to be showing some initiative and giving some leadership in getting them operated, especially when, under present circumstances,

it can—if it does any kind of a job at all—get the federal government to underwrite 75 per cent of the cost.

Yet the policy revealed by the hon. Minister of Education is very much like the policy revealed by all the hon. Ministers who participated in this debate: "We are bumbling along reasonably well; you should be thankful for the little we are doing and not complain if it is inadequate."

But, Mr. Speaker, the facts clearly indicate that anything they are doing is inadequate. We have a serious unemployment situation. It is steadily getting worse. There are no indications at all that it is going to get better unless there is a really drastic programme.

I would commend to the House, as a step in the right direction, that we should adopt the programme set forth in the subamendment proposed by the hon. member for York South. That, at least, will be a step. It will at least help to turn the wheel in the other direction, to stop this downward tendency towards greater and greater unemployment. Let us do something constructive and positive, not merely rehash what the departments have been doing all along.

We hardly heard anything through all this debate which was not merely a rehash of the speeches the hon. Ministers made last year. Let us get on with a positive, co-ordinated programme and start getting people back to work.

While we are doing that I submit that we can also put some pressure on the federal government to take some steps to supplement our efforts, and indeed to provide leadership in this field.

There is no reason why we have to accept a record unemployment next March; but, unless some really constructive action is taken, there can be no doubt that we will have record unemployment next March—the highest since the major depression of the 1930s.

The hon. members opposite can yell all they like, shouting that I and others are being pessimists. But I submit, Mr. Speaker, that those of us who insist on calling attention to this serious problem are the only ones who are providing a real service to the people of the province. Those hon. members who try to pretend the situation does not exist are providing a real disservice to the people of this province and this country.

Hon. A. K. Roberts (Attorney-General): I rise to address the House for just a few moments at this late hour, in connection with a problem

which all recognize is deserving of the thorough discussion it has received now; almost two full days of debate in this Legislature. I think, generally speaking, there has been a real contribution made and a number of constructive ideas and thoughts have emerged.

However, I cannot refrain from saying that, in my view at least, I am not too impressed by the decrying type of address to which we have just listened, and which follows a pattern that those who have been in this House for quite a number of years have heard on many, many occasions in the past, from the same quarters. That sort of address does not leave me too impressed because I fear that the "wolf, wolf" attitude, by reason of the repetition over the years, is something which those of us, on this side of the House at least, can have some question of the bona fides and the accuracy backing up the statements.

There is, in my view, no need for panic. But there is need for thorough, continuing, intelligent study and planning in connection with this problem. The position today is infinitely better than it was in any comparable period in the past. That is because the leaders and members of governments in various jurisdictions over the last 20 or 25 years provided, by good legislation, many cushions and many provisions to take care of temporary recessions.

I would, however, for a moment, address myself to a somewhat different approach, perhaps, than has been made tonight or today. I want, in doing this, to mention very briefly the 1956 view of the hon. Prime Minister of this province at the conference in Ottawa, when he took the 50 per cent position which he has taken consistently since, as a position of right—though perhaps not one to be expected of accomplishment too soon—on the basic right given by The British North America Act, of equal rights in the field of direct taxation.

Something at least can be said for the improved conditions, because we are getting at least a portion of what we asked for since the new government at Ottawa came into office. At least \$30 million per year more is forthcoming as a result of some upward revisions.

In my view, it is not yet too late. We can still expect that there will be changes taken in line with the viewpoint of the hon. Prime Minister of Ontario, and that, over a reasonable period of time, increases in the rates to which we will be entitled, in the income and corporation tax fields, will enable us to get at least a portion of the money in reason-

ably quick order, without which one cannot expect a provincial government to make any great impact on what are also worldwide and national problems.

More work requires more capital and more production. If Ontario can get anything like what it is entitled to, through these fields of taxation and adjustments and transfers in them, it can make a considerably greater money contribution to these problems, over and above the very substantial amount of money being spent today—with the all-time high revenues that are available—and being used in so many worthwhile projects and undertakings.

I want to mention, however, that the Ottawa position, at this time, in my view is a very favourable position as compared with the United States. It has, of course, the banking and it has the currency powers that no province has.

I want to draw the attention of the House to the fact that in the 4 years since 1956, there has only been a 10 per cent upping in dollar figures of the currency of this country.

In the United States—and I am going to give these figures because I would like to put them on the record—at the end of 1956 there was \$138.9 billion of currency in circulation in the United States against some \$22.1 billion of gold, or a 15.9 per cent gold backing to that currency in that sense. And on August 1, 1960, that had dropped to \$137.5 billion and a drop in the gold holdings to \$19.13 billions for a ratio of 13.8 per cent gold to the currency.

In Canada, on August 1, 1960, we had \$2.028 billion of currency; we had \$900 million of gold holding, almost a 50 per cent gold backing, against the United States' 13.8 per cent.

Or to put it another way, on a population basis, this figures to \$765 per capita in the United States in currency against \$111 per capita in Canada, or almost 7 times the dollar currency in the United States per capita against that of Canada. We have to go back to the year 1939 to find anything comparable with respect to the United States currency and gold reserves, to that which is the position in Canada today.

This, I think, may indicate a tight-money situation in Canada but if it does, it indicates that there is plenty of room to loosen and to help lick the problems of the moment, and that Canada is in a far better position to do this today than is the United States.

I believe, by sensible and sound planning, a great deal can be done to close the gap

between the view of this government in Ontario about the redistribution of tax sharing, and the Ottawa position which will benefit both and will benefit Canada as a whole, notwithstanding the statements of a very few hon. members opposite—very few indeed—who seemed to think that in standing up for the rights of Ontario and trying to get this position, this government is doing a disservice. I think it is quite the opposite; the disservice is in talking that way in respect to the government's effort in Ontario at this time.

Give Ontario a yearly upgrading in the rates until new maxima are reached and we will be able to do much more. Spending at the local level should give us results. Let Ottawa clear the road for the provinces, and through them, the municipalities, getting a better share in the present tax rate, and a great deal more can be done to come to grips with this problem.

With respect to the position here, I would like to summarize this in a few minutes. First of all, I want to speak about my own department and the work through The Department of Public Works, which is the vehicle for building. A good deal of work has been laid out and is proceeding. At Burlington, at Belleville, at Cornwall—I would like the hon. member for Stormont to recognize that—we are building, or about to get under way, substantial Ontario provincial police headquarters buildings for the districts concerned. There will be a substantial building at Dryden. At Sudbury, there is substantial work going on at the courthouse. At Espanola, we are finishing up quite a project. In Kenora, a registry office project is under way, and at Parry Sound another one is about to take effect.

I would like also to mention projects in relation to certain counties—and some of the hon. members opposite could do something about this. On information supplied me by my officers recently, a registry office in the county of Carleton would be a job that could be undertaken at the local level. Again in Essex county, the same condition would apply. In Frontenac, the hon. Minister of Planning and Development knows that there is a fair scope of work there at Kingston with respect to the registry office. Halton is in a position where it could undertake a courthouse renovation and extension. In Leeds and Grenville a courthouse and registry office at Brockville could get a thorough going over.

The county of Lincoln, the city of St. Catharines, should be in a position to under-

take very shortly a substantial undertaking there. In Middlesex there is room for a substantial increase in the space accommodation of the court buildings. The registry office in Prescott and Russell at L'Orignal should be enlarged and repaired. The registry office in Prince Edward at Picton should also have a considerable amount done to it. The registry office in Pembroke, Renfrew, is another project.

In Cornwall, there is a registry office as well as the work I mentioned. In the county of York a new registry office should be on the planning board. The one at Newmarket is now overcrowded and there is also a new office in Richmond Hill indicated.

A new courthouse in Toronto not very far from here, of very substantial dimensions, is much in need. I hope that some of those sentimentalists who are using blocking tactics to prevent the use of the site that has been settled upon will be able to control themselves and settle their differences to a point where that great project can be got under way quickly.

You have heard, Mr. Speaker, from many hon. members here and from the hon. Ministers of many departments. You have heard what I think about \$2 million in current expenditures between now and the end of the fiscal year in my own department. You have heard the statement of the hon. Minister of Highways here; specific figures of \$2.5 million, plus the general work that is going on.

In lands and forests, some \$3.3 million additional; in education I think the figures added up to about \$11.3 million; planning and development, I think something like \$8.6 million; and health something between \$8 million and \$10 million could be said to be currently being spent within the next few months.

I am sure the hon. Minister of Public Works could correct me if I am away out on this. I think it can be said that in these few months ahead of us, there is a great overall programme of at least \$50 million being spent in this particular area over a matter of months. That is a figure.

Interjection by Mr. Singer.

Hon. Mr. Roberts: Asleep, the hon. member for York Centre said. Well, if this government is asleep, there is certainly a pretty good \$50-million dream coming true.

I am going to conclude, because I think this is not the time to elaborate on any of these things, but I do want to be serious in

relation to just one bit of theory. That is, whether we sit on this side of the House or on the other side, all the hon. members here, or practically all of them, are concerned with the individual and are concerned with the position of the state to the individual.

The twentieth century has been called the age of challenge. H. G. Wells, who was well known to members of the Labour party in England and a great supporter of it, towards his death wrote a book called *Mind At the End of Its Tether*. It was full of pessimism; a long-time crusader for secular progress came in the end to see no hope for man; the increased velocity of everything that was going on around about us, seemed to him to mean the end of man.

We do not think so on this side of the House. The human search for safety and for salvation flows on.

If we go back 25,000 years, to the beginning of man's mind developing—when he was counting on one finger, indicating the first mathematical genius that was to develop and making himself understood by signs—from that time, on down through the years, the human mind has continued to expand and is still continuing to expand. It is really the greatest creative genius in the world and much more is yet to come.

We on this side of the House believe in our province, in the creative capacity of its people and in its leaders to create and to produce.

I say, in all sincerity, Mr. Speaker, that if the last 12 years under the leadership of the hon. Prime Minister in this province is any criteria for the future—and we have gone through periods of heights and depths during these 12 years—and if the people of this province, for the next 12 years have the same confidence in this government as they have had for the last 12, then the next 12 will also be years of progress and growth. The people, then, too, will regard, at the end of it, this government still as the favourite in this province.

In conclusion, I state that we believe under our system of free enterprise, properly directed and inspired, that the greatest gains are still ahead for man, and that means for all. And, in that spirit, hon. members on this side of the House at least, are prepared to work hourly, daily and yearly to accomplish it in the interests of the people of the province and of the country.

Mr. Troy: Mr. Speaker, I would like to ask the hon. Attorney-General a question. In this periodical called *The Ontario Government*

Services, I notice that the city of North Bay was included as being one of the places that had a new Ontario provincial police building. Would the hon. Attorney-General mind telling me on what street that building is located?

Hon. Mr. Frost: The hon. member lives there; he ought to know.

Mr. Troy: I ought to know; that is right. And I do know. I have searched for it, sir, day and night.

Hon. Mr. Roberts: I might say, since the hon. member has asked for the question, that I am bound to give him the answer. In this sheet of something like 30-odd projects of work for the future, at the bottom of the list is North Bay.

Mr. Speaker: The vote will be on the amendment to the amendment.

Will all the members who are in favour of the amendment please say "aye".

As many as are opposed, please say "nay".

The amendment to the amendment, having been put, was lost on the following division:

YEAS

Bryden
Bukator
Chapple
Davison
Edwards (Wentworth)
Gisborn
Gordon
Gould
Innes
Manley
Oliver
Singer
Thomas
Thompson
Troy
Wintermeyer
Worton

—17

NAYS

Allan (Haldimand-Norfolk)
Brown
Brunelle
Cass
Cathcart
Cecile
Collings
Connell
Cowling
Daley
Downer
Dymond
Evans
Frost
Fullerton
Gomme
Goodfellow
Grossman
Guindon
Hanna
Haskett
Hoffman
Johnston
(Parry Sound)
Johnston (Carleton)
Lavergne
Lawrence
Lewis
Mackenzie
MacNaughton
Maloney
Morningstar

NAYS

Morrow
McNeil
Nickle
Noden
Parry
Phillips
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Simonett
Stewart
Sutton
Warrender
Whitney
Yaremko

—50.

Mr. Speaker: I declare the amendment to the amendment lost.

Hon. A Grossman moves, seconded by hon. W. A. Stewart, that the amendment to the motion now before the House be amended by striking out all the words after the word "order" in the first line and substituting therefor the following:

to effect the above objectives, the House regards with satisfaction the awareness of the government to the problem to be met, and the broad and as well specific steps which have been taken to meet the same, and more particularly the House approves the measures which have been taken,

(a) to assist agriculture and industry to market their goods abroad and to provide for the co-operation of all levels of government with labour, commerce and industry and, to that end, the reorganization of government departments to more fully assist in the aforementioned objects;

(b) to further economic and industrial research, and to help and encourage agriculture and industry to produce in the most competitive way;

(c) to implement the very large programme of developmental projects such as conservation, recreational parks, roads and highways of all kinds and public buildings, with the incidental employment of extremely large numbers of workers;

(d) to further the development of our human resources both young and old, sponsored particularly by The Department of Education, to fit our people to meet the challenges and as well the unlimited opportunities which lie ahead.

Mr. J. J. Wintermeyer (Leader of the Opposition): The whole effort was perfectly understandable. I know the hon. government members have simply tried to embarrass our position. They have made their move, now we will make ours.

Mr. Speaker, the manoeuvre of the government has simply been to add some platitudinous words in an effort to—

Interjections by hon. members.

Hon. M. B. Dymond (Minister of Health): Wisdom—you were not satisfied with your own words.

Mr. Wintermeyer: Mr. Speaker, so that my position may be understood in regard to the technical position that we did take—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Wintermeyer: Mr. Speaker, for the edification of the hon. members opposite, I did consult the foremost authority on procedure that we have in this House and I was advised that the amendment to the amendment does not in effect defeat our amendment—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Wintermeyer: —and by voting for it, we do not delete in any way—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Wintermeyer: —our amendment. Might I go on?

Mr. Speaker: Order. The leader of the Opposition said he consulted the highest authority in the House—I do not remember him consulting the Speaker on this—

Some hon. members: Hear, hear.

Mr. Speaker: —but I might point out to the leader of the Opposition the original motion moved by Mr. Wintermeyer and seconded by Mr. Nixon started this way:

That the motion be amended by adding thereto the following words:

—then, of course, the substance of the amendment.

Now the amendment to the amendment moved by Mr. MacDonald, seconded by Mr. Bryden, amended it by striking out all the words after "the following words"—which

was the whole sum and substance of the amendment—and substituting the following, which was the amendment submitted by Mr. MacDonald.

An hon. member: Oh, no.

Mr. Speaker: Now then, we have a further amendment, moved by Mr. Grossman and seconded by Mr. Stewart, that the original amendment moved by Mr. Wintermeyer, seconded by Mr. Nixon, that the motion be amended by adding thereto the following words:

in order to further these desirable goals, was the substance then of the original amendment. It is now being amended by striking out all the words after the word “order”—“in order to further these desirable goals”—to read:

in order to affect the above objective the House regards with satisfaction—

That is the amendment.

Mr. Wintermeyer: Before you put the question, I submit that we have a right to debate this amendment and I would suggest that, in fairness, when an amendment of that magnitude is brought in at the last moment, we should be entitled to see it on the order paper before we have to debate it.

I listened as carefully as I could but it appeared that it was nothing but a long wearisome “mish mash” of platitudes but it—

Interjections by hon. members.

Mr. Wintermeyer: I am speaking of the amendment, sir. It is possible that there is some grain of sense in it and I think that we should have an opportunity to study it on the order paper to see if that is in fact true.

It is most unfair, I think, to ask us to proceed to debate such a complicated amendment without notice. However, Mr. Speaker, if we are to receive no notice I am prepared to proceed to debate it.

Hon. L. M. Frost (Prime Minister): Well, Mr. Speaker, I want to say this: that the procedure adopted here, of course, is one which has been very often followed in this House when we had 3 parties. Quite often we had an amendment to an amendment introduced. My good hon. friend who is leading the CCF group will well recollect that situation, as will others.

In practice, it is not debated. I think in fact, sir, it can be debated—

Interjections by hon. members.

An hon. member: Oh, yes, it can be.

Hon. Mr. Frost: Yes, it can be debated. Of course it can be. I would say this, sir, I had no intention, when I heard that amendment—I thought it was a very fine amendment the hon. Minister moved and, of course, I would vote for it immediately and I knew that those who were associated with me here would vote for it. However, I think that technically it is perfectly true the amendment is debatable; in practice, it has not, in this House over very many years, been debatable but I think it is.

I would certainly not want to take any of the hon. members opposite by surprise; that would be the very last thing I would ever want to do.

But let me say this—they have taken me completely by surprise in that I never saw the Liberal Opposition before vote against their own amendment.

May I say, sir, to the hon. leader of the Opposition, on the point which has been taken concerning the debate: I would move the adjournment of the debate and we will have to consider this amendment after the House reconvenes next January. I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House I want to explain this to the House—we have gone one hour and 40 minutes over what we agreed we would try to adhere to. Now, sir, that arose from the fact that it was desired by many of the hon. members here to conclude this debate tonight; that was the purpose of it. As a matter of fact, it was agreed between the 3 hon. Whips concerned that we would try to conclude tonight, and that was the purpose.

Tomorrow we will have a night session, but I promise the hon. members that we will not go beyond 10 o'clock, so we gain 30 minutes in the overtime of tonight, if that is satisfactory.

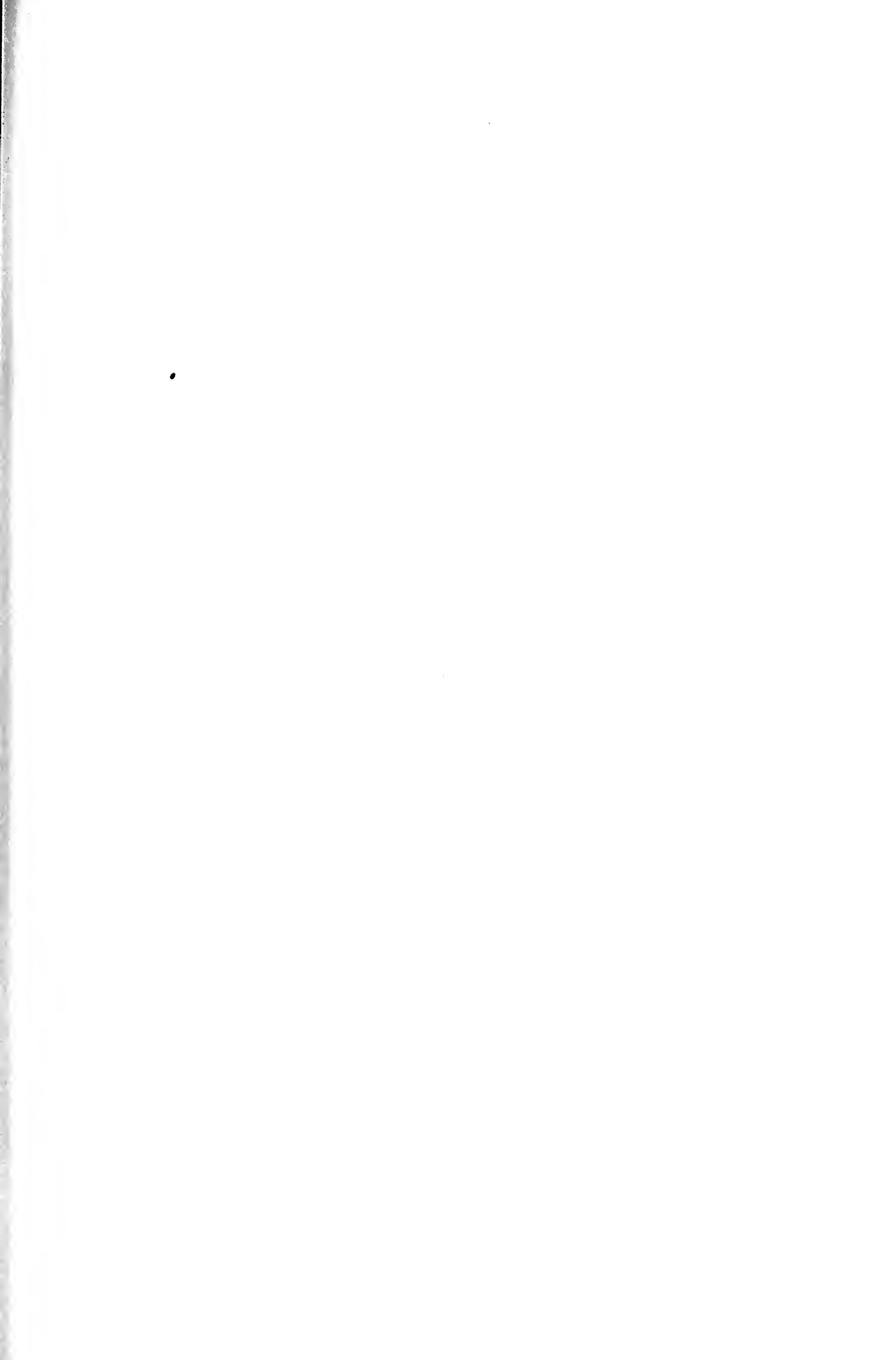
Tomorrow we will have the estimates of The Department of Economics, and then certain bills on the order paper we would like to advance. Following that, sir, we will have the Throne debate.

With that explanation, I move the adjournment of the House.

Motion agreed to.

The House adjourned at 12.10 of the clock, a.m.







ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, December 13, 1960

Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 13, 1960

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as guests, students from St. Vincent de Paul school, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE DEPARTMENT OF COMMERCE AND DEVELOPMENT ACT, 1960-1961

Hon. L. M. Frost moves first reading of bill intituled, "The Department of Commerce and Development Act, 1960-1961."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is outlined in the address of the Honourable the Lieutenant-Governor (Mr. Mackay) and has been discussed in this House. The Act itself repeals The Department of Planning and Development Act, 1950, which was first enacted, I think, in 1944.

The section which deals in general terms with the powers and the duties of the Act is section 3. This says that the Minister shall collaborate with the Ministers having charge of other departments of the public service of Ontario and with Ministers having charge of the public service of Canada and of other provinces, with municipal councils, with agriculture, industrial, labour, mining, trade and other associations and organizations, and with private and public enterprise with a view to stimulating business, increasing production, extending trade and formulating plans to create, assist, develop and maintain productive employment, and to develop the human and material resources of Ontario, and to that end shall co-ordinate the work

and the functions of the departments of the public service of Ontario.

What I have outlined here is to some extent the conception of the original department after it was formed. Last year, you recollect, sir, we transferred from The Department of Planning and Development the matters of community planning and placed them under The Department of Municipal Affairs to avoid the division which had been created by the growth of two matters related to municipal affairs in two different departments.

As I said to the House at that time, there are other matters in which we were concerned relative to The Department of Planning and Development. One of these matters, of course, is the matter of development of trade and commerce, the sale of our goods, the assisting of industry and agriculture to market our goods abroad. That, sir, is the purpose of this bill.

Mr. J. J. Wintermeyer (Leader of the Opposition): I know that it is technically not proper to ask questions on this occasion, but would the hon. Prime Minister permit questions?

Hon. L. M. Frost (Prime Minister): Yes.

Mr. Wintermeyer: Mr. Speaker, you will understand that we have not as yet examined the bill, of course. But the question I would ask is: Does this dissolve, if I may use that word, the old Department of Planning and Development?

Hon. Mr. Frost: Yes, it changes its name and so on. Though I cannot speak for hon. Mr. Drew who was then Prime Minister, in my recollections of the bill I do not think it was ever the intention to get into community planning, with its incidental difficulties, to the extent that the department did.

THE DEPARTMENT OF ECONOMICS ACT, 1956

Hon. Mr. Frost moves first reading of bill intituled, "An Act to amend The Department of Economics Act, 1956."

Motion agreed to; first reading of the bill.

He said: Now, sir, the purpose of this bill is partly parallel to the bill that I previously introduced. First of all the name of the department is to be changed from The Department of Economics to The Department of Economics and Federal and Provincial Relations.

The purpose of that is plain.

As a matter of fact, The Department of Economics grew up from 2 or 3 different causes, going back to about the year 1943. At that time The Provincial Treasurer's Department had within it a section relating to statistics and things of that sort. I think it was the section of statistics under the direction of Mr. H. J. Chater who has since retired.

At that time there was no such thing as an economic periscope to tell us where we were going. As a matter of fact, none of the other provinces had one either. In 1945, we found ourselves pretty well dependent upon the organization of the federal government. Prior to 1945 we made the effort to create a Department of Statistics under Mr. Chater and that grew into The Department of Economics which is a service department for all sections of the government and all departments of government.

As will be explained later today, the purpose has been to avoid duplication. One can get into duplication in that area, and due to the difficulties of obtaining economists we of course dilute our efforts. That is the purpose of the general direction of our economic research, which is now very extensive under the direction of one Deputy Minister and one department.

The department has developed along a different line as well. Some of the provinces are forming their own Department of Federal-Provincial Relations—which is a development of the growth of federal-provincial conferences, of which there have been 5, I think, in the last 17 years.

The Department of Economics has therefore also become the department charged with the many and varied dealings between this government and the government at Ottawa in relation to federal-provincial matters.

And now I will say a few words in connection with provincial relations.

I am very glad to say that there has now been formed a Prime Ministers' conference which will meet at intervals to be determined. The next meeting—which I think was inspired by our Atlantic friends—is to be in Prince Edward Island next August in the old

Parliament buildings. That was a touch of imagination that we would expect from our maritime friends.

There is a tremendous variety of things for the provinces to discuss without ever getting into controversial matters related to federal-provincial relations as such.

For instance, between ourselves and our sister province of Quebec and our sister province of Manitoba, there are problems of boundary waters and the pollution of them.

There is also a host of economic matters which can be discussed without getting into federal-provincial policies and politics.

I think I would say, sir, that had there been such a conference of Prime Ministers before, we would have arrived at the way of amending our Constitution long before the present time. I think that with the collaboration of the Premiers of Canada we are going to solve that problem. It is not an easy matter to solve, but I feel satisfied that it will be done.

In this bill there is the power of the Lieutenant-Governor in council to delegate matters to this department in the ordinary course of business. I would say that it is wider in its application than in the other provinces, I think that we have led the way.

Our sister province of Quebec is now introducing a bill creating a Department of Federal-Provincial Relations. Our Department of Economics bill, as hon. members will have gathered from what I have said, is much broader in its application.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. Prime Minister would answer a question in connection with this bill. Does he propose to appoint another Minister, or is this newly arranged department going to carry on under the—

Hon. Mr. Frost: No, it is to carry on under the direction of the hon. Minister to whom it is assigned. I will cover that in The Executive Council Act in a moment, which will tie all these things together.

Mr. R. M. Whicher (Bruce): It will be a disappointment if there is not a new Minister.

Hon. Mr. Frost: Oh, I do not think so.

Mr. D. C. MacDonald (York South): May I ask the hon. Prime Minister another question on this? I cannot sort out in my mind how he is going to avoid duplication, if one of the functions of this department is to look into the question, for example, of

amending our Constitution. Is it not logically the concern of The Department of the Attorney-General? Or if it is promoting trade, is this not logically for the new Department of Trades and Commerce?

Hon. Mr. Frost: I would point out to the hon. member that the intention of the Premiers' Conference—as was indicated in the press release—is that it should not engage in executive details. I think the hon. member will agree with that. Otherwise, of course, it would submerge such a conference in detail.

The determination was to deal with the broad principle of subjects; then by agreement they could be referred to the various departments of the various governments. I think the hon. member will agree with that.

If it is determined to put a matter on an agenda—the agenda is itself general in its form—that is the way it should be. If, for instance, the subject of amendment to our Constitution is placed upon the agenda, the problem could be discussed in general terms and the matter then referred to our Attorneys-General across Canada. That is what is happening this time. In the end, I would say that the Attorney-General, with the other Attorneys-General, is here dealing with a problem which is bound to come back to this and the other governments.

Now, I think the hon. member for Sudbury (Mr. Sopha) mentioned that problem the other day. As a matter of fact, in the executive drawing of the Act, there is no difficulty. I have been out of the practice of law for a number of years but I think, although I do not want to appear boastful, I might be able to draw that Act myself.

Mr. Whicher: I would want to check it over.

Hon. Mr. Frost: Oh, I know hon. members opposite would all want to check it. I would want to check it myself. I would not be too fearful of embarking on the amendment of it, once it was agreed.

The great difficulty is to arrive at the formula.

We have the problems of the Atlantic provinces, who have very real reasons to desire protection. And we have the western provinces who want it to be in the form of a partnership, and I think that is fair and reasonable. They do not want to be dominated by a combination of provinces.

Now to come back to the question of the hon. member, The Department of Economics would be our clearing house for provincial

matters, for our correspondence with the various Premiers for arriving at an agenda, and in arriving at an agenda perhaps arriving at the basis upon the details of specific items in the agenda.

The Premiers can consider those subjects in their wisdom and they can refer their general decisions back to their governments and the specific departments to carry them out.

Mr. MacDonald: These are the hon. Prime Minister's new responsibilities as president of local No. 1 of the union of provincial—

Hon. Mr. Frost: Well, I am out of that job now. That was only for the few days of that conference. I think the next president or chairman will be one of the maritime people and my only connection with it will be to make the transition to him easily, so that he can carry on.

Mr. H. C. Nixon (Brant): Was there any difference of opinion as to whether they should be called Premiers or Prime Ministers?

Hon. Mr. Frost: No, I would say. You understand these deliberations are carried on *in camera*, therefore I am not in a position to disclose what has been said, but the consensus of opinion is that there is no difference in the two expressions whatever, and I think that is true.

Mr. Nixon: I thought maybe the hon. Prime Minister was keeping his Ottawa friend out.

Hon. Mr. Frost: Well, I will put it this way to show how broad I am in my interpretations. Rt. hon. Mr. Diefenbaker and Rt. hon. Mr. St. Laurent referred to the Premiers of Quebec and Ontario as the Prime Ministers of Quebec and Ontario. It is a matter going back to Confederation. Actually I would say, sir, that there is not a bit of difference between the word "Premier" and the words "Prime Minister"—not a particle.

I think the hon. member for Brant will well recollect that in the days of our youth, which are getting altogether too far removed, the reference was always to Premier Laurier. Does he remember that? On Sir John Macdonald's bust in St. Paul's cathedral, he is referred to as the Premier of Canada. I do not see any difference.

I think myself it came about from a mistaken idea that emanated from Ottawa, that there was a difference between a Prime Minister and a Premier, and there is not any—none whatever.

Mr. Whicher: Mr. Speaker, I would like to ask a question of the hon. Prime Minister: Who looked after this correspondence in provincial matters before? I am afraid that this is not just another department that is being set up by this already overstaffed government, I think this is an example of Parkinson's law that this government gives to us 100 per cent. It is another staff.

We have another staff set up to look after a provincial conference that may or may not take place once or twice or 3 or 4 times. All we know now is that there is one more next August in Prince Edward Island. And when they have to set up a department of government to look after that, I think they are endorsing Parkinson's law 100 per cent.

Mr. Speaker: I am afraid we are getting out of order on this bill. All these matters should wait until second reading rather than on the introduction of the bill.

Hon. Mr. Frost: Well, as long as we do not get mixed up with Parkinson's disease, it is all right.

THE PROVINCIAL SECRETARY AND CITIZENSHIP ACT, 1960-1961

Hon. Mr. Frost moves first reading of bill intituled, "The Department of the Provincial Secretary and Citizenship Act, 1960-1961."

Motion agreed to; first reading of the bill.

He said: This Act was also forecast in the address of the Honourable the Lieutenant-Governor and it enlarges the function of the old Department of the Provincial Secretary and Registrar.

The history of that department itself is quite interesting. I do not think there has ever been an Act in relation to The Department of the Provincial Secretary and Registrar, because that is one of the departments that is set up in The Act of Confederation, itself. Therefore, we are not interfering with the department itself and its functions, but it is an addition to the duties of the department and the one who is to be the Minister.

The Act itself carefully safeguards those things, but I might read section 4, subsection 2:

The Minister shall on his own initiative, and through co-operation with the Minister having charge of the department of the public service of Ontario, and with the Ministers having charge of the departments of the public service of Canada with municipal councils, with school boards, boards

of education and other organizations and otherwise, in the cause of human betterment advance and encourage the concept and ideal of full and equal citizenship among the residents of Ontario in order that all may exercise effectively the rights, powers and privileges and fulfill the obligations, duties and liabilities of citizens of Canada within the province of Ontario.

I think my hon. friends will all agree with the object of a department which, in part, certainly can be called a Department of Citizenship.

This is an Act to establish The Department of the Provincial Secretary and Citizenship, that is the name hereafter—The Department of the Provincial Secretary and Citizenship.

Mr. A. E. Thompson (Dovercourt): I wonder, Mr. Speaker, if I could ask a question with respect to this department of citizenship being under the Provincial Secretary? I understand it used to be under the Minister of Planning and Development. I think I am correct that we have an immigration department with Mr. Creighton in charge in that area. Mr. Lucas' department seems to swing all over the place. I wonder if it could be explained to me why, for example, The Fair Employment Practices Act and The Fair Accommodation Practices Act are in another department. Why does the hon. Prime Minister not think of combining these? This enhances human rights—these two commissions—we hope.

Hon. Mr. Frost: I think the purpose, sir, is this: it is true the Act relating to fair accommodation and fair employment practices and other things comes under The Department of Labour for the reason that The Department of Labour has the machinery to pass upon and to deal with those specific problems as they come up.

On the other hand, the matter is much broader than that. The question of citizenship in this province is an encompassing thing, a broad thing. We have, for instance—I should not say the problem, because I do not want to use that word—but the matters related to New Canadians coming to this country; the matter of their obtaining citizenship, the things done to help them and to accommodate them that are quite outside of the Acts that are under the aegis of the Minister of Labour to administer.

The broad matter of citizenship, generally, making these people at home in our country, I hope is something that will be increased. Despite the difficulties we frequently run across in our country, and which are

temporary matters, I hope that people from other countries will continue to come to this country in increasing numbers. That is what I would like to see done and that is our policy here.

I recognize at the moment that there are different points of view among many people on the subject, among trade unions and the like. But we cannot have half a continent in this world and have only 18 million people in it and get away with it indefinitely. We have to go out and bring people into this country. That is one of the reasons why we are extending this department: to meet that problem objectively.

The object will be this: The Minister will be charged with co-ordinating our services wherever they may be, within whatever department they may lie. It may be in The Department of Education, for a great deal is being done on the matter of adult education to make things easy for people, to let them understand, to give them information. That is the purpose of this Act.

An hon. member: Tory politics, Tory politics!

Another hon. member: Good policy.

Mr. Nixon: May I suggest the hon. Prime Minister might also consider getting our Indian citizens under The Department of Education in this province as well.

Hon. Mr. Frost: I am all for this suggestion. I think we ought to give them a square deal. They have not had a square deal. Tell my friend I will have a pow-wow with him shortly. I will wear my feathered headgear and we will discuss that. I am altogether in favour.

Now sir, the other Act is an Act which is complementary to all of these. It is An Act to amend The Executive Council Act, and it brings these matters into conformity with what I have said. It provides, instead of a Secretary and Registrar, a Provincial Secretary and Minister of Citizenship. It provides for a Minister of Commerce and Development instead of a Minister of Planning and Development.

I would like to clear up one point. My hon. friend from Bruce, was it not, mentioned the creation of more Ministers or something of that sort. I may point out to him that this amendment makes no provision for such. At least that is my interpretation of this Act. But I would point out to the hon. member, somebody made a rather loose statement the other day about the Ministers of the government, that there are 19 active Ministers

in the government and 3 Ministers without Portfolio.

All provinces are meeting with this problem. Our sister province to the east now has 17 Ministers. There were 16 to start with and then the government there added to the cabinet a most-able man, hon. George Marler, with whom I have had a good deal of work to do in the last few weeks.

They are now creating 3 new departments in the government, including The Department of Federal-Provincial Relations. They have created 8 under-secretaries in addition, to those who are connected with boards and commissions and the like.

I say to the hon. member and other hon. members of this House, that is the case, and we here certainly are not out of line. It is a difficulty which the hon. members of this House have had the opportunity of looking into. It is a problem of government in these days.

In introducing this bill, I may as well give the whole explanation now. When we look at the ramifications of government—I was today looking at the second budget I introduced in 1944, \$126 million, and I see the enormous extent of the growth of government which is inevitable—these are problems which have to be met.

THE EXECUTIVE COUNCIL ACT

Hon. Mr. Frost moves first reading of bill intituled, "An Act to amend The Executive Council Act."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, I would like to point out to the hon. members that there is a book placed upon their desks titled *The Windsor Border Region*. The hon. members may regard this as a little Christmas present which I am sure they will find extremely interesting.

This book is the fourth of a series of basic documents which are being collected and published under the direction of the Champlain society and subsidized by the provincial government. The amount that we place at the disposal of the Champlain society is small. My recollection is that it is only about \$5,000 per volume. It is small, indeed.

Much of the work in connection with these books is done as a matter of interest and dedication to the cause of history by the historians who are connected with the Champlain society. In my first days on this

matter, I dealt with Dr. Stewart Wallace who is very outstanding. Latterly, we have been dealing with Professor Patrick C. T. White of the University of Toronto, who is the editor of the Ontario series of the Champlain society.

Today, I want to pay tribute first of all to the authors of this work, gentlemen who really treat this matter—I was going to say as a labour of love, but it certainly arises out of their intense interest in the history of our country and our province and its importance.

We have here Father Ernest J. Lajeunesse, whom I would ask to stand up.

Father Lajeunesse was formerly Professor of French at Assumption University and is now, I think, connected at least temporarily with St. Michael's College. With him is Professor White of the University of Toronto, who, as I say, is the editor of the Champlain society series.

Will Professor White please stand up?

I would like to pay tribute to them.

Mr. Speaker, this volume, as were its predecessors, is a interesting one. The first volume was: *The Valley of the Trent*, edited by Mr. Guillet. Then came *Royal Fort Frontenac* by Professors Preston and Lamontagne, who were introduced to this House. Then followed *Kingston Before the War of 1812*, by Professor Preston, and now, this volume.

In placing this volume on the desks, I want to pay tribute to the oldest settled portion of Ontario, the Windsor area. I think Father Lajeunesse's research goes back historically to about 1750. That area saw the coming of such persons as Cadillac and LaSalle and many others.

It is probable, of course, that there was settlement before the days actually outlined in this volume, but certainly the records of the great parish of Assumption goes back to that period.

This has provoked a very great deal of interest. I had a correspondent from the United States write to me, stating that Moose Factory antedated the Windsor area. I suppose that is true from the standpoint of a fort and a trading post, but not from the standpoint of settlers who settled in that area, who had homes there and made their living there before the coming of the British forces following the battle of the Plains of Abraham.

The matter is one of engaging interest. I am sure it will be an important addition to the background of the Windsor area. I would say to the hon. member for Essex

North (Mr. Reaume) that the Reaumes are mentioned here, among the first settlers, the people who came to that parish prior to the battle of the Plains of Abraham. No doubt it will be of interest to the hon. member whose family has had connection with this province long before the days of its present political entity, going back to the days of New France, which is an interesting connection which I hope we can develop in this province.

We have here in Ontario a history before a history. Very often we count our history with the coming of the Loyalists. Actually, there were 150 years of history before that. If we can put it together, it will be of immense value to Ontario.

It is a great deal of pleasure, sir, to place these on the desks of the hon. members, and to make this reference to those who have taken such a great part in doing this work and for those who will follow, because I hope that over the years we can produce many volumes which will be a great background for students of history in our province.

These works are non-interpretative, of course. They are confined to the basic documents and stories of our province and avoid the interpretations that historians would be entitled to make.

Mr. Wintermeyer: Mr. Speaker, it affords me real pleasure to join with the hon. Prime Minister in paying our tribute to those people who are engaged in this very important, and I think vital work, in paying our warm respects to Father Lajeunesse who is with us today—a member, I understand from reading the introductory comments—of the great Basilian Order that has done so much for education in all of Ontario, particularly in the Toronto and Windsor areas.

Mr. Speaker, I would say that like the hon. Prime Minister, in leafing through the few introductory comments, I did notice the surname of Reaume, and I would expect that that the hon. member for Essex North will want to make some very complimentary remarks about the early beginning of his area, with which he has been so closely associated.

I feel, as the hon. Prime Minister feels, that this is a vital work. I think we Canadians and people in Ontario have not learned enough about our early beginnings and our history. I believe with those who say that unless we know the past we will lose the future. I think that it is important, it is vital, that we know more about our history, the history of our people, our beginnings.

That will give us some indication where we should go and how we should direct the future.

For the contribution that has been made with this additional book on the early history of Ontario, I join the hon. Prime Minister in commending the author and those who have worked in the Champlain society for the continuing contribution they are making to the history and the understanding of history in Ontario. I join with the hon. Prime Minister in welcoming Father Lajeunesse, Professor White and the others who are in attendance here today on their particular contribution to this very important work.

Mr. A. J. Reaume (Essex North): Mr. Speaker, I am very proud of this book. I am very proud of the fine things that have been said about our part of the country. The author of this book many years ago was a very able young man and an old chum of mine. We went to the same school. He chose, as hon. members can see, a very noble type of work and I followed right behind his steps in the second most important type of work.

Father Lajeunesse was one of the most outstanding, I think, of our pupils, and he was always recognized, even as a boy, as one who was going far in his chosen field. I understand now that in that great Order of which he is part, he is spoken very, very highly of, and one of the things that makes him very dear and near to my heart is the fact that his parents' farm is only a few doors away from where my wife was born and where her people still live.

Indeed, Essex county is a very important place. One would not think so sometimes from the treatment we get from these people who are in power now, but nevertheless it is indeed a very important place. As we go back to the early days, first of all there arrived the Indians—there is still the occasional one around—then came the French, and then came the English.

Both these races played a very, very important part in the building of that part of the world, as they have in other parts of Canada. I think that of all the places in Canada that typify this real spirit of brotherly love, where people from all parts of the world have come to make their home, Windsor and Essex county can properly be termed a capital seat of brotherly love in the whole of Canada.

I noticed a number of Reaumes there in the book. I am not quite sure what their occupations were. In some of the campaigns that I have been in, some of my opponents have

referred to the family name, sometimes not too respectfully.

Nevertheless, there have been a lot of changes, and I presume that there will be a lot in the future. One of the things I think is very important to remember about that important part of the country is that whether the people are Catholic, Protestant or Jewish, from whatever part of the world they may have come, we do not refer to anyone as a New Canadian. Once they arrive they are Canadians and we do everything in our power to make them feel at home.

I want to say to the author of this book, that as one who comes from the very same part of the province as he, I think I speak for a number of the people there. We are proud of the fact that he is the author because of all others he would be the one most capable of writing such a thorough book on that part of the province.

Mr. MacDonald: Mr. Speaker, I wonder if I might be permitted to just add a few words in keeping with the spirit of brotherly love in which the hon. member for Essex has just made his remarks to the House.

On earlier occasions when volumes produced by the Champlain society have been presented to the House, I have paid my tribute to the work that they are doing and I would like to add to it today.

I think the work of the Champlain society, and particularly today Father Lajeunesse who has produced this particular volume, is filling a very great gap in the history of this province. If we do not do something about it, soon, much of our history is going to become lost forever. Bits and pieces that are lying around in attics, the records that are being gathered together in volumes like this, are going to be real treasures as far as the future of the province of Ontario is concerned.

However, I do not want to pay my tribute just to the Champlain society and Father Lajeunesse. To show how far my spirit of brotherly love goes today, I want to pay it to the person whom I think is primarily responsible for this, and that is the hon. Prime Minister.

I rarely find myself in a position where I can pay tribute to him without any reservation at all, but this is one. I am convinced that if it were not for the well-known interest of the hon. Prime Minister and the initiative that he has taken, considering the very small and insignificant resources actually that have been made available for this work, that this kind of thing would not happen.

I submit, Mr. Speaker, it would be a

tragedy, because if something had not been done—in fact we may be a bit late in some respects—these records would have been lost forever. So in this spirit of brotherly love I pay tribute to the man who I think is more responsible than any single author of any single volume.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, if I may be given the opportunity I would like also to express my few words of commendation because Father Lajeunesse is certainly not unknown to me. He has seen me along the halls of Assumption quite a few years back, and I certainly want to pay my respects. As the hon. member for York South has said, the hon. Prime Minister has taken the initiative in this preservation of history.

In the Windsor area we are rich in history. It was pointed out that this was one area which was first settled. In fact, the parish of Assumption in that area was the only parish west of Montreal for quite a number of years.

I know that Father Lajeunesse's contribution to the Basilian Fathers at Assumption has been tremendous, and also to the citizens of Windsor. I want to commend him for the work he has done and I know that he will continue to do fine work.

I want to urge upon the hon. members of this House to take time—I know that they cannot read it in one evening but now and then to take the time—to read a few pages of this book.

Again, I want to commend the Champlain society, the hon. Prime Minister, and Father Lajeunesse.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, as the last member from the Windsor area I would like to pay my respects to Father Lajeunesse, first from the fact that he probably can recall having me as a student in one of his history classes back at Assumption College quite a few years ago. I knew his capabilities at that time, I respected them, and I certainly think that no one could have written a better volume concerning the Windsor area than he did.

Mr. Singer: Mr. Speaker, I want to ask a question before the orders of the day of which notice has been given to the hon. Minister of Municipal Affairs (Mr. Warrender).

In view of the recent discussions concerning municipal affairs in the township of Vaughan, does The Department of Municipal Affairs propose to order an investigation, and if so, when?

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, there has been no discussion for the reason that yesterday a delegation from Vaughan township was to have come to my office as the result of an appointment made through Mr. Cumming, the Deputy Minister. I was around at the appointed time and no one showed up.

Today, Mr. Cumming tells me, he had another call from interested people in Vaughan township about another appointment, and I intend to see these people when a meeting can be arranged at our mutual convenience.

Until that meeting is held, and until I hear what the evidence is, I cannot say whether or not there is going to be an investigation by our department.

I would like to say, Mr. Speaker, that if the township of Vaughan feels there is something there that should be investigated, they have legal powers under section 258 to call on the local judge or a judge in a neighbouring county, and they can ask him to inquire into any matters which they think might be of concern at that time.

Mr. A. Wren (Kenora): Mr. Speaker, before the orders of the day I have a question of the hon. Minister of Labour (Mr. Daley) which has been directed to him earlier. The question is this:

During the last session the standing committee on labour was told that The Department of Labour was preparing regulations governing private employment agencies. My question is: Have these regulations been prepared, and if so, are they available?

Hon. C. Daley (Minister of Labour): Well, Mr. Speaker, in answer to the hon. member's question I would like to go a little further than yes or no.

This has been a problem. The Act as passed by the Legislature empowers The Department of Labour to make regulations to control this aspect of the activities of people carrying on employment agencies in the province.

We have drafted several regulations and we have held meetings with these people because, as the hon. member would recall, we agreed that they would have an opportunity to discuss with myself and my department officials the regulations that would be drawn. Those meetings have gone on from time to time and, as I say, we have proposed different regulations which included different licences. These are:

1. A licence for an agency where the licensee looks to the person seeking employment to pay the fee.

2. A licence for an agency where the licensee looks to the employer to pay the fee.

3. A licence for an agency that does aptitude, psychological, or other testing to determine a person's qualifications for employment where the person who takes the test pays the fee.

It is our thought that a person or firm should hold only one licence, but some of them want to hold two or more of these licences.

There are a number of prominent and reputable firms who carry on business in classes which we might consider 2 and 3. They are asking that they be allowed to continue in both fields.

Meetings have been held with representatives of the various agencies on this and other problems. This is not going to be an easy thing to police, it is going to cost plenty. We are going to have to require substantial fees from these licensees.

How far should we go in exclusion, should there be any exclusions—for instance, people that operate a little agency for baby-sitters, and things like that? There are many things that we have had to consider: the agency which endeavours to place unskilled cleaning people, for example. We want some control over the amount these agents are paid and how long they have to be paid once a person gets a job.

There is the agency that supplies skilled workers—secretarial, bookkeeping—not in executive positions but competent people in this field. There are agencies that have tested and proved the ability of applicants so that competent personnel can be guaranteed and supplied.

We find that even some auditors call upon agencies for competent help. They will say: "Can you get us a good bookkeeper or a good executive?" Agencies do quite a bit of this sort of thing in filling the demand, and in most of those cases it is the man seeking the employee who pays the fee. There are many instances where people already employed respond to advertising of agencies, seeking to improve themselves in positions. They do not wish their present employer to be acquainted with the fact that they are seeking another position, that they want to improve themselves. Confidence has to go into this sort of thing.

Our investigations prove that there are many reputable people in this field, doing good work, finding jobs for the unemployed, jobs they would never have found for themselves, and at reasonable cost.

But in this field, as in all other walks of life, the racketeer creeps in here and there, and it is that sort of person we are definitely after. We are trying to evolve regulations that will curb the racketeer and yet not destroy the other people who have been doing good work in this field.

I think, Mr. Speaker, the fact that this legislation was passed has already proven to be a great deterrent to what might be called a fly-by-night sort of operator. But I would say, in answer to the question, that we are aiming at January 1 for the regulations to be through.

Mr. Wren: Mr. Speaker, there was a supplementary question. What methods are now employed by the department to curb the activities of the so-called racketeers—now that the hon. Minister has mentioned them?

Hon. Mr. Daley: The fact that this Act has been so publicized and that anybody in that activity knows that there is an Act, has been a deterrent, because we certainly have heard no criticism of these agencies' operations during the course of negotiations.

However, I want to point out, Mr. Speaker, that there are great difficulties in this sort of thing.

Mr. Speaker: Orders of the day.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day might be an appropriate time to ask the hon. Prime Minister whether any session of the Legislature is scheduled for tomorrow.

Hon. Mr. Frost: Yes.

Mr. Wintermeyer: And at?

Hon. Mr. Frost: Three o'clock—no, two o'clock.

Mr. Wintermeyer: Will there be an evening session?

Hon. Mr. Frost: Well, it depends on what progress we make today. I promised that we would not sit after 10 o'clock tonight, due to the fact that we had to go beyond that last night to try to dispose of that item of business.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and that the House resolve itself into the committee of supply.

House in committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF ECONOMICS

Hon. J. N. Allan (Provincial Treasurer): Mr. Chairman, in view of the great deal of information that has been given already about the activities of The Department of Economics, in a rather general way, I shall limit my remarks to some of the details of the work of The Department of Economics.

Before proceeding to do that I would like to express my appreciation of the work of the staff of The Department of Economics. Although not a large staff it is a very excellent one, headed by the Deputy Minister, Mr. George Gathercole, and consisting of 4 sections.

I find that it is possible for them to accomplish a very great deal during a year and I want to express my appreciation to Mr. Gathercole and the staff for their vigorous efforts, and for the helpful information they are able to supply to not only The Department of the Treasury, but to all departments of government.

In presenting the estimates of The Department of Economics for 1961-1962, I would like to emphasize the importance of the function which this department assumes in the operations of government. The extent of its activities is perhaps not as well known as that of other departments which are more in the public eye.

In this day and age, however, no large organization can operate efficiently without expert economic advice, and this is evident by the ever-growing number of corporations and governments which have established Departments of Economics to advise them. The government of Ontario has been a pioneer in this field.

The operations of the government of Ontario continue to grow and extend into a multiplicity of fields. Our budget exceeds that of all other provincial governments in Canada and, in fact, that of many other jurisdictions, both on the North American continent and elsewhere in the world. The Department of Economics has provided, through its economic analyses and its special studies and reports, the information and advice that are essential to the direction and management of this huge business.

In the current fiscal year, 1960-1961, The Department of Economics is continuing a wide and varied programme of economic studies and research, and is also undertaking work on behalf of other departments of government.

Among the newer studies which are under way, I would like to mention the work of the

technical committee on portable pensions. This is a subject which has aroused wide interest among all sectors of the community, and The Department of Economics is assisting and participating in the work of this committee. The Deputy Minister of the department has been chairman and is now, with Professor D. C. Macgregor, joint chairman of the committee, while the secretariat is composed of two of the department's economists.

In another important area of governmental activity, federal-provincial relations, the department has continued to play an important role and has prepared analyses and undertaken research which have been invaluable to us in our negotiations with the federal government. This area of study is considered to be so important that our sister province of Quebec has established a separate department of government to deal solely with federal-provincial relations, while a number of other provinces have either established, or are considering establishing, special economic divisions to advise them in these matters.

During the year, the department completed a special regional economic survey of eastern Ontario and is well advanced in the preparation of a similar study on the Lake Ontario economic region. This will be the fifth report in a series being prepared by the department on the 10 economic regions of the province.

The preceding studies dealt with the Georgian Bay, the northeastern Ontario and the northwestern Ontario regions. I think the hon. members have already had the opportunity to study these.

The ninth edition of the economic survey of Ontario has been completed, and is in the process of being printed. Many new features have been added to this latest edition and an even more extensive review of economic activity in Ontario has been included. Hon. members will be receiving copies as soon as they are available. This will be early in the new year.

These documents seem to be especially appreciated by business and commercial organizations, which is evidenced by the great number of requests we receive for copies.

The department also prepared the government of Ontario's submissions to the Royal commissions on transportation and the automotive industry, both of which were well received.

Among the many other assignments of an economic and fiscal nature, upon which the department has been engaged, are the following: a review of unconditional grants

to municipalities; population and labour force projections, and projections of school and university enrolments; the treatment of separate school boards; education grants to elementary and secondary schools; grants to universities; housing; the winter works programme; hospital debt; employment and the labour force; foreign trade; foreign investment in Canada; foreign exchange rates; and extensive studies on our natural resource industries.

In addition to the studies on which it has been engaged on its own account, the department has undertaken a number of assignments for other departments of the government. For example, it has continued to provide basic research for The Department of Agriculture on milk marketing and related problems. It is also assisting The Department of Agriculture in a study of the assessment of co-operative cold-storage plants.

At the request of the hon. Attorney-General (Mr. Roberts), the department carried out surveys of the probation service and of the juvenile and family court. Substantial assistance has been made available to The Department of Planning and Development in the area of housing, and through the preparation of the special regional economic surveys. Research on enrolment and financing problems of the universities has been undertaken for the university affairs committee. Many other projects for the various departments of government have also been carried out.

Our economists, in addition to their other duties, have undertaken research and secretarial duties for various government committees. These include committees studying winter works, conservation, fluoridation, portable pensions, and other matters of interest to the government.

Full-time employees of the department number 60 at the present time. This represents an increase of 5 staff members over 1959-1960. Despite the very large increase in the work load of the department, the increase in staff over the past 8 years has been modest, averaging about 3 per year. For 1961-1962 the department has requested an increase in staff of 10 to carry out a greatly expanded programme of work, much of which was outlined in the speech from the Throne.

In order to undertake these additional duties, it is asking for an increase in its vote from \$400,000 in 1960-1961 to \$453,000 in 1961-1962. All of the increase is for salaries—to recruit the new staff required and to provide annual increments for existing

staff. No increase has been requested either in the maintenance vote or for travelling expenses.

The department has continued its policy of providing useful employment in the summer months for postgraduate students. Last summer, 9 students were employed on various research studies. This policy has been of mutual benefit to the students and to the department. Students have been enabled to earn additional monies towards the cost of financing their education while the department has benefited, not only through the work performed, but also through the recruitment of a number of suitable candidates upon completion of their studies.

I would like to especially emphasize how very valuable I feel this particular section of our operation is. It has been mentioned, not only as a benefit to the department, but because of the help that accrues to the students because of suitable employment.

In 1961-1962, the department will be called upon to further expand its already extensive programme. As noted in the speech from the Throne, The Department of Economics has been asked to extend its studies on the Ontario economy "with a view to supplying economic services for all departments of the government and assisting them to cultivate and enlarge the opportunities for the province's expansion and development."

To achieve this objective, the preparation and publication of additional economic surveys will be accelerated to the extent that human and financial resources permit. In order to further encourage industrial development, the department will expand its services to the 10 economic regions in the province in co-operation with regional development associations and The Department of Commerce and Development. This expanded activity will take the following forms:

(1) Intensive studies of individual manufacturing industries will be undertaken to ascertain their competitive position with regard to costs, productivity and other factors.

(2) Studies will be undertaken on what other countries and provinces are doing to aid their manufacturing and export industries, and how these practices could be applied in Ontario and Canada.

(3) United States-Canadian economic relations—the economic problems of this subject, how they affect Ontario, and what can be done to solve them—will be studied. This area of study will include research into investment, exchange rates, merchandise trade and borrowings abroad.

(4) Studies will be undertaken on Canada's tourist and travel account.

(5) Economic data sheets will be issued periodically, supplementing and updating the information provided in those regional economic surveys already published.

(6) As the number of special requests for information from regional organizations and associations is increasing, more time and effort will be devoted by the staff of the department to this aspect of its regional economic services.

In addition to these tasks and many others—such as the financial arrangements made with the Champlain society for the publication of the Ontario historical series—the department is endeavouring to develop new techniques of analysis which will enable it to more accurately foretell economic trends. Mr. Chairman, in respect of the historical books, may I say that this department played a very important part in their publication by making the necessary monetary assistance available.

I now request the approval of the House for these estimates totalling \$453,000.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I presume it will be your instruction that we be given some considerable latitude in the discussion of these estimates, for several reasons. Firstly, there is only the one vote; secondly, the department has assumed extraordinary purposes as a result of the introduction of several bills this afternoon; and thirdly, as a result of the ramifications of the speech from the Throne, relating to our economic welfare in Ontario.

With that presumption, Mr. Chairman, I would say that my job is to sit back calmly and analyze this department and its functions. I am not of the mind of the hon. gentlemen opposite. I do not think that we are ahead of our sister province of Quebec in the purposeful analysis of the functioning of government, the purposes of government. I think, rather, we are behind.

I cannot conceive in my mind how the department—which will serve all purposes of government in a service capacity, from advising the hon. Prime Minister (Mr. Frost) in his personal investigations through the newly created Department of Commerce and Development, the area of federal-provincial fiscal arrangement, to the area of pure research—will function in its present and intended context.

Mr. Chairman, very frankly, I am dubious about all the pleasantries expressed this afternoon with respect to this department. For its personnel I have the highest regard; for

the men in charge of this department I have the highest respect.

But let me point to one fact which has aroused my suspicions.

Recently, and during the unemployment debate, I had occasion to ask the department the number of people who are unemployed in Ontario, and I asked, secondly, the amount of export business Ontario does in its secondary industries and its primary industries. The reply I received was this:

In The Department of Economics we have no such statistical accumulation of information. We depend on the federal bureau of statistics for that type of information.

Hon. Mr. Allan: I wonder if there might be an area of misunderstanding there. I understood at that time that the question the hon. leader of the Opposition asked was about the division of figures relating to northern and southern Ontario.

Mr. Wintermeyer: Well, its primary industries and export. Mine was an elementary question that the department, I would presume, would be concerned about.

What I wanted to know, Mr. Chairman, was this simple question: firstly, how many people are unemployed in Ontario? Secondly, what is the actual volume of dollar export for our natural resources and our secondary industry? You might say that the natural resources refer to northern Ontario, but it is a basic division of our economy—our natural resources and our secondary. It is not, Mr. Chairman, that I was trying to make the question complicated that concerned me; rather that I was told the information that was available was the information presented and accumulated from Ottawa from the bureau of statistics.

In other words, I gathered that the research done in Ontario was neither original nor specific.

Secondly, after reading the regional economic surveys that have been made by the department, I find that the information accumulated is information at the local level and handed on to this department in Toronto.

Mr. Chairman, my suggestion is this: That is fine, but what about the pure research that should be done here? What about freight rates? What about this question of federal-provincial arrangements? What about the question of unemployment? What about our exports? What about our secondary industries?

These things did not suddenly come to our attention. They have been on our doorstep for years. This is not the sort of thing that we should suddenly become excited about. This is the sort of thing we should know something about right now so that judgment can be made by the Minister of Commerce and Development. This area, this department, I suggest, Mr. Chairman, is going to be either overloaded or it is going to be, in the absence of that, unpurposeful.

It seems to me, Mr. Chairman, there are 3 or 4 facets of the operation of the department which must be segregated.

Firstly, I do not think that this department has any greater purpose and justification for directing our federal-provincial fiscal arrangements than many other departments of government. Sure, the economic background must be provided. But there is a matter of those associations and those relationships which are not only fiscal in nature. They are constitutional. They involve many other theoretical and nice problems of constitutional law and government.

For one, I strongly recommend, Mr. Chairman, your consideration and the consideration of the House, for setting up a separate segment that will deal exclusively with the matter of federal-provincial relationship. I do not see that The Department of Economics has any jurisdiction or any unique purpose in this area. Theirs is to be a service organization, one which provides information for other departments. But I do not think this department is in any peculiar or unusual position to make the necessary judgments and decisions that are required to be made.

I would say, Mr. Chairman, that in the area of pure research—which is the area in which I would like to see this department function—I presume there is to be little or nothing over and above what we had last year.

Hon. Mr. Allan: The hon. leader of the Opposition is misunderstanding the statement entirely. It is in the area of research that this department is intended to function. The purpose of this department is to supply the information that will be used in a federal-provincial discussion.

Mr. Wintermeyer: Mr. Chairman, at random I listed, I believe, some 20-odd questions that I would expect this department to be concerned about. I would ask the hon. Provincial Treasurer whether or not there are at the present time investigations going on by this department in respect to these areas: for example, the effect of high freight rate

costs on industrial growth in Ontario, and particularly northern Ontario. Is anything being done about that at the present time?

Hon. Mr. Allan: Did the hon. leader of the Opposition read the submission?

Mr. Wintermeyer: Yes. Who accumulated the information? This department?

Hon. Mr. Allan: Surely the hon. leader of the Opposition is not going to suggest to this House that we duplicate the gathering of primary information from industry and require every industry or every reporting agency to make a report to the Ontario government as well as to the federal government for their statistical branch. Surely he is not suggesting that we would duplicate an operation of that kind.

Mr. Wintermeyer: I am saying that the province of Manitoba, which is a so-called less fortunate province relative to Ontario, did actually accumulate on its own this type of information. I think it is the type of information that an industrial province like Ontario would be expected to be accumulating.

Hon. Mr. Allan: We are not legally in a position to do it.

Mr. Wintermeyer: It certainly would be vital to the development and growth of Ontario to know something about this subject related to Ontario as such.

Hon. Mr. Allan: We do make use of all this information and study it.

Mr. Wintermeyer: What about the economic consequences of increased power rates in Ontario? Has a study of that sort been undertaken, or is it undertaken by this department?

Hon. Mr. Allan: I believe that particular problem is being studied. I think the hon. leader of the Opposition recognizes the system that we have in Ontario for the production of power, which is the basis of power at cost. That is basic and must be recognized as being basic.

Mr. Wintermeyer: Well, seriously, Mr. Chairman—and I am not trying to embarrass the hon. Provincial Treasurer at all—I am as genuinely interested in this problem as he is. As I said at the outset, I am prepared to acknowledge the individual ability of the Deputy Minister and the other members of the department, but I, personally, do not feel

that they are serving any purposeful function at the present time. I am anxious that we determine, firstly, what that function should be, and, secondly, implement that purpose.

Mr. Chairman, the hon. Provincial Treasurer suggests, as I understand it, that Hydro should be studying that problem. I do not think so. I think The Department of Economics should be studying it. I think it relates to industrial development here.

My third question would be the same type: on the use of Hydro in developing natural resources.

Hon. Mr. Allan: Let me ask the hon. leader of the Opposition if he feels that the industrial community is paying more than their share of the cost of power, or would he like to have it raised to the householder.

Mr. Wintermeyer: Mr. Chairman, I simply say this, I am interested in providing jobs in Ontario. I think the way to provide jobs is to think about our industrial development.

Mr. Chairman, I am prepared to take a stand on this and let the hon. Provincial Treasurer either agree or disagree, and it may well be he disagrees with me. Industrial power is one of the handicaps currently to industrial development in Ontario. I do not think the alternative to cheaper hydro rates in Ontario for industry is more expensive or is necessarily to mean that we have to add that burden to the domestic user.

Maybe we should subsidize the industrial user. Maybe there should be a little more economy.

But, one of the things I would like to know of this department is, are our rates higher than they are in Quebec, as we have been advised? Are our industrial rates higher than they are in Michigan?

Have we done the sort of development opposite Cornwall, a depressed area in Ontario, that they have done in the state of New York, where they have attracted real industry and new industry to an area with reduced hydro rates? Have we given any attention to this problem? Is this department giving attention to it at the present time, and, specifically, what is being done?

Hon. Mr. Allan: It is being studied in certain areas, and will be studied further.

Mr. Wintermeyer: What areas?

Hon. Mr. Allan: It is being studied and there is no report as yet. It is being studied with respect to certain industries such as the mining industry and some of the others.

Mr. Wintermeyer: Mr. Chairman, another question that we might expect this department to be considering, at the present time, is the social and economic questions of slum clearance. We have heard a lot about this. It is bound to be a subject of great political concern in the course of the next few years. It is one that should be of immediate concern in view of the economic conditions.

Has this department undertaken any studies of slum clearance in Ontario?

Hon. Mr. Allan: Certain studies have been made in connection with slum clearance and a report will be made to the government for consideration to assist them in determining the policy they will adopt in connection with subsidized housing and with the establishing of certain industrial sites made available by slum clearance.

Mr. Wintermeyer: Mr. Chairman, did this get down to the essence of the concern that is in my mind? The hon. Provincial Treasurer says they are studying the question of slum clearance. Are they studying low-cost housing at the same time, and subsidizing low-cost housing at the present time?

Hon. Mr. Allan: That is right.

Mr. Wintermeyer: And where are these studies being made?

Hon. Mr. Allan: Mr. Chairman, these are made in collaboration with The Department of Planning and Development to give them advice relative to the projects they undertake in partnership with the federal government and the municipalities.

Mr. Wintermeyer: Mr. Chairman, is not this the very point? Is a distinctive investigation or research being done by this department, on its own, to determine the economic and social—

Hon. Mr. Allan: It is done for The Department of Planning and Development.

Mr. Wintermeyer: At their instigation and request?

Hon. Mr. Allan: Yes.

Mr. Wintermeyer: How many people are involved in this particular branch of research?

Hon. Mr. Allan: About 4 on this project.

Mr. Wintermeyer: About 4 people; full-time, Mr. Chairman?

Hon. Mr. Allan: No, not full-time.

Mr. Wintermeyer: In the course of the last year, how much time exactly was devoted to this particular problem?

Hon. Mr. Allan: Oh, there would be several weeks.

Mr. Wintermeyer: Several weeks' time. Has any policy been determined or suggested to the government with respect to slum clearance and low-cost subsidized housing?

Hon. Mr. Allan: The Department of Commerce and Development will be announcing their policy.

Mr. Wintermeyer: Now, Mr. Chairman, the point I am trying to make is this: If this is a service branch, then we would expect this branch to be now in the position to say to the hon. Provincial Treasurer or to the government: "We have investigated this. We are in an economic recession. We think that this should or should not be done and, specifically, in regard to low-cost housing, subsidized housing, slum clearance. We feel that it will or will not be of benefit to implement such a programme at the present time."

I know they are giving it cursory attention. The Department of Planning and Development must be doing something but a few weeks of attention to the problem is certainly not going to provide the type of information that is necessary to come up with policy and determination. This is my very complaint of the department that, at the time we need the information and background, I question whether or not it is available.

Hon. L. M. Frost (Prime Minister): I say to the hon. leader of the Opposition that I think he ought to—

Interjections by hon. members.

Hon. Mr. Frost: Just a minute. Do not get in the heat of high tension.

Now The Department of Economics—and I use that expression for the reason that, while the name has been enlarged, nevertheless in the actual field we still will use the designation "Department of Economics" for purposes of convenience and of eliminating expense; I think my hon. friends will agree with that—is a service department. The department itself does not evolve policy. Policy must come from the cabinet level and not from the departmental level—

Mr. Wintermeyer: Exactly.

Hon. Mr. Frost: In many of the things that we do, as my hon. friend will understand, there are differences of opinion. That always applies in every commercial business or other transaction. In the end it is the consensus of opinion that is taken and it is the consensus of opinion that prevails.

The Department of Economics might make a study, for instance, of the tremendous housing matter related to one particular facet, or perhaps to several. The department makes its findings and these matters are checked up against the work of the department which is actually working and doing things in that particular field, with the result that in the end it has to be the consensus of opinion.

I think my hon. friend would agree that The Department of Economics could never make the decision. I will give him a case in point from something entirely separate from housing, but it just occurs to me because I have a newspaper clipping here. It is in connection with that matter of schedule M regarding The Department of Education which we were referring to the other night.

There are always differences of opinion in these things. The Department of Economics for instance, might survey a condition, say, in municipality x, where there is a considerable volume of unemployment and it is determined to establish the reason. The Department of Economics might feel after the studies that it would be a place to establish a course, or courses, under schedule M dealing with certain particular things.

That basic information is extremely valuable, but, nevertheless, it is the executive department in the end, and no doubt the government, that has to make the decision.

We have cases where a course has been started, and there have been a great number of entries in the course. The interest in the course on the part of those taking it vanishes when they obtain work. It may be work that is entirely different from the course they are studying. They say, "Well, I will go into this new job," with the result that a class that perhaps starts off with 30 or 50 people dwindles down to 10 people.

The executive decision as to what to do there has to be with the department. With The Department of Economics the problem really is to try to produce the information, the basic information and, one might go so far as to say, the pros and cons upon which the matter is based. That situation happens in a tremendous number of cases.

Now, my hon. friend might say: "Well, all of the information might be published."

I think he will agree that is not the purpose of the department. It would not be desirable to do that. I mean it only creates misunderstanding.

After all, in business, in government, we all have to think about these problems. In many of them we have to think out loud for a while, we have to get the viewpoint of others, and the decision usually comes from the thinking of a number of people.

The Department of Economics gives us the broad basis upon which we can make a decision. Now it does not mean that The Department of Economics' conclusion is the right conclusion. As a matter of fact, in very many cases the conclusion would not be proposed. In the matter of the problems of dealing with the automobile industry, which again have to do actually with the problems of secondary industry—as the hon. leader of the Opposition knows—in very many cases there is little distinction between the problems of secondary industry and the automobile industry as such.

The Department of Economics went into that matter. The brief is in the possession of the hon. leader of the Opposition, and there is a tremendous lot of work entailed in it. In the end, decisions generally have to be based upon the basic information made available through The Department of Economics.

He might say the automobile industry very specifically involves The Department of Commerce and Development. Of course it does. On the other hand, I think he will agree that it would be a great mistake to set up another group of specialists within that department. We are trying to avoid duplication of expense. Under the aegis of The Department of Economics, the information becomes available to the other department concerned, and there the decision is made.

Mr. Wintermeyer: Mr. Chairman, I do not want to take an unnecessary amount of time, but I think this is vital in our discussion. What the hon. Prime Minister has said I would agree with 99 per cent. I quite agree that somebody, at some stage after information is accumulated, has to make a decision. That is the function of an executive.

Now, the cabinet as such is a collective executive. It must make the decision.

All I am saying is it seems to me the hon. Prime Minister is wholly inconsistent when, in his introductory remarks on the first reading of these several bills, he pointed out that this department—the new Department of

Economics—would serve many functions. Among the functions that it would serve was the function of our sister province's specific new department to take care of federal-provincial relations.

I point out, Mr. Chairman, that therein lies executive decision and judgment. If we assign these functions to the department, it must act as executive, judgment maker and decision maker. That is not service only. I see no logic in assigning that function of government to this particular service agency, if it is a service agency only. I cannot see it at all.

Secondly, if it is to be a service agency, I question whether or not its investigation, its research, should not be made public. I know that the government will periodically want private investigations done to determine whether or not they should make or follow a particular course. That is understandable. But it does seem to me that at the present time there is nothing undemocratic about public divulgence of the number of unemployed in Ontario and who they are.

Mr. K. Bryden (Woodbine): That can be obtained from the federal bureau of statistics.

Mr. Wintermeyer: Now, the hon. member to my left—determined and prejudiced as he is in one particular respect—will not concede the fact that if we are to tackle this problem in Ontario we have to know more about the problems than what we know at the present time.

I do not know whether the hon. member for Woodbine has ever taken the trouble to try to make inquiries. I am sure that every hon. member in this House excepting the hon. member for Woodbine would expect this department to know at the present time the number of people who are unemployed in Ontario, and who they are, aside from the information that is forwarded to the department from Ottawa. I think it is a most reasonable position. Related very closely to that, it amazes me that the department is unable to advise us of the total exports of Ontario from our natural resources and secondary industry.

If we are to know something about secondary industry, I say then we have to have more background information.

I will concede, Mr. Chairman, that in conjunction with secondary industry there is executive decision required and the hon. Minister of Commerce and Development is going to have to make some decisions.

I cannot authenticate what I am going to say about this situation. I had to accumulate

the information in a limited fashion. But I am of the opinion that secondary industry exports very little, that we sell to a domestic market only. And the only way to increase that market is to increase the number of people in this area—increase our population if we want to increase the market. This is an executive decision that will have to be made in the next few years, a decision that if it is going to be made prudently will require more information than is available to the hon. gentleman opposite at the present time.

That is all I am trying to point out, that we do not have the type of research background and information that is going to be required to make prudent and intelligent decisions on problems affecting the people and jobs and the industrial development of Ontario in the course of the next few months and years.

Hon. Mr. Allan: Well, Mr. Chairman, I would like to point out to the hon. leader of the Opposition that, after all, The Department of Economics is a research department. It is not a statistician group that spend their time gathering statistics.

Mr. Wintermeyer: What is research? It is the study of statistics. Certainly there is a difference between a statistician and a pure researcher, I understand that. But I say this, there are many people in this province, many professional economists in Canada, who have said that what we should be doing in Ontario today is studying pure economic research in the same way as we are studying the medical problems such as cancer and other diseases that are afflicting our population.

We do not know enough about our economy, and that is the point I am trying to make, Mr. Chairman, irrespective of what the hon. members to my left say.

I say that we will not tackle, and solve effectively, our economic problems until we have the type of research and the type of study, the type of accumulation of statistical information required to make intelligent, prudent decisions. We do not have it. That is all I am saying.

Hon. Mr. Frost: On what does the hon. leader of the Opposition base his statement that we do not have it?

Mr. Wintermeyer: I will give the hon. Prime Minister an illustration. Two days ago—and I do not want to embarrass any particular member of the department—I had occasion to ask 3 questions. These were:

How many unemployed are there in

Ontario? I asked where the information came from. I was advised that it was the federal bureau of statistics, that Ontario does not make any survey, or research or examination of that, except what is accumulated in Ottawa.

Then I said I would like to know what the dollar amount of our export is from Ontario industry and natural resources. I may not be phrasing it well, but the hon. Prime Minister knows what I mean. I wanted to know how many dollars we export from natural resources production. I was told that that information was not available, that the only way to get it was to take the information from the federal bureau of statistics and try to translate it into terms of the probable portion that comes out of Ontario.

Then I asked how much our secondary industry produced in Ontario, and what portion of it is sold in the foreign market. Again I was told the only information is the information that comes from Ottawa.

I say to the House that this is the type of information this government is going to need before the hon. Minister of Commerce and Development can make any intelligent executive decision. And that is the point I am making, Mr. Chairman.

Hon. Mr. Frost: Let me point out to the hon. leader of the Opposition, that surely he would not ask us here, in Ontario, to duplicate the work of the federal bureau of statistics? Actually speaking, we can set up a section here in Ontario and get the information at very great expense. What we are endeavouring to do is to integrate our services so that we know and we get the figures my hon. friend mentioned. We have calculations, for instance, of our manufacturing product in Ontario. My recollection is it runs now around \$11 billion a year. It is possible to work these things out in co-operation with the federal bureau of statistics. If the hon. leader of the Opposition were to ask, at this moment, what is the amount of the gross national product related to Ontario, that takes some calculation. It can be obtained and, in many cases, is obtained if it is necessary.

I just point out it is necessary to have a method in this thing to avoid a lot of expensive duplication with federal services. That applies in so very many departments.

I give this example of years ago, in connection with Ontario House. Ontario House, back in 1943 when I was familiar with it, was duplicating to a very great extent things which really should have been done by Canada House. That situation has changed now but Canada House was treated more or

less as the diplomatic entrée into the United Kingdom and attention was not paid to some of the things that we wanted, including immigration and a host of things like that. We did streamline things eventually so that now there is the closest of collaboration.

That is true of The Department of Economics. We could, of course, go into a lot of duplication which is very expensive, and costs a lot of money. On the other hand, I think that there has been a very great deal of confusion caused over a number of years by the Ottawa figures which really are based upon 2 or 3 different sets of calculations—for instance, unemployment insurance.

I think now in both Canada and the United States they are streamlining matters, so that I hope that next year we will be dealing with one set of figures instead of about 3.

Mr. V. M. Singer (York Centre): They are doing that now, they are just producing one set of figures.

Hon. Mr. Frost: The hon. member is optimistic when he says it is straightened out. I hope that it will be straightened out.

Mr. Wintermeyer: Well, Mr. Chairman, I cannot find any real area of disagreement with what the hon. Prime Minister has said. I do not want extra cost. Certain information that is available from the federal government certainly can be used by us. But I am making the very elementary point that we do not have anything like the information that we are required to have before we can make intelligent decisions.

In the hon. Prime Minister's presentation of the bill this afternoon, setting up this new Department of Commerce and Development, we had some very ideal phraseology about growing markets here in Ontario, expanding secondary industry. They are a laudable objective.

But, Mr. Chairman, the government opposite is nowhere near attaining that goal at the present time.

One of the reasons it is not anywhere near is simply because they, I suggest, do not have the information on which judgments are required to be made. If they are now going to start investigating secondary industry in Ontario, they know and I know, and everybody who has given this a moment's thought knows, that it is going to take 5 years to make an effective investigation.

Hon. Mr. Frost: No, no!

Mr. Wintermeyer: Yes, it is, and I will tell the hon. Prime Minister why, Mr.

Chairman. There are a number of factors that affect secondary industry. I have talked about Hydro and literally—in spite of what is said—I think the hon. Provincial Treasurer will admit that all the investigations relative to Hydro and hydro rates are being done by Hydro. I would wonder how many hours of study this department has actually put on Hydro and power costs.

Hon. Mr. Allan: A good many.

Mr. Wintermeyer: Now, a lot of time is going to have to be devoted to that. A lot of time will have to be devoted to transportation costs. A lot of time is going to have to be devoted to the determination of what happens to the products that are manufactured in Ontario.

My own cursory investigation—and of course it has to be cursory by the very nature of the circumstances—is that we do not sell abroad much of what we produce in the manufacturing industry in Ontario. It is sold within Canada in our domestic market.

How are we going to expand that market? We are going to have to have some basic information that we have no knowledge about at the present time. All I can do is go back again and again to this simple proposition that if this government is as foresighted, if it is as intelligent, if it is as concerned about the industrial development of this province as the bill on introduction would lead the people to believe, then I say that the attainment of the desirable goal—

Hon. Mr. Frost: Where does the hon. leader of the Opposition get his statement about very little of our \$11 billion of manufactured products?

Mr. Wintermeyer: I will tell the hon. Prime Minister where I get it. The information that I got from the federal bureau of statistics gave me the total export in Canada, and the total of secondary industrial production in Canada, and the total natural resources production in Canada, and the total export from Canada of natural resources. Deducting the total export of all Canadian manufactured and natural resource industries and deducting the natural resource industries as such, leaves a very small portion of the total export.

Hon. Mr. Frost: I would say that our estimate would be this, that of the manufactured products in Ontario about half is exported.

Mr. Wintermeyer: Half of the \$11 billion that the hon. Prime Minister talks about?

Hon. Mr. Frost: Sure.

Mr. Wintermeyer: Oh, Mr. Chairman, if that be an accurate analysis of the situation, then I think we need a Department of Economics more than ever. It is exactly this type of guesswork, Mr. Chairman, that is dangerous in Ontario.

Our newsprint industry, Mr. Chairman, our pulp and paper industry, I believe exports about 95 per cent of its production. Mines and the other natural resources come somewhat approximate to that. My recollection is that the export, the total export is only in the neighbourhood of \$6 billion or \$7 billion.

If one-half of the \$11 billion that we are producing by secondary industry is exported, presumably we are not exporting any newsprint or very little of it, and very little mining and other natural resources.

Mr. Chairman, I do not want to labour this unnecessarily. I feel strongly about it. I am not trying to politically embarrass the government for the sake of doing it, but I do say this department has not been well conceived, and the purposes have not been determined in an orderly manner.

There are other problems. I have talked about Hydro. I have talked about freight rates. I have talked about low-cost housing, but there are the problems of agriculture, the matters relating to farm production and marketing. Are we getting at these problems in this department at the present time? Specifically, what are we doing in regard to agriculture and marketing and agricultural production?

Hon. Mr. Allan: Mr. Chairman, let us get back again to this matter of operation of departments that was outlined previous to this. We are not standing up here and saying that we are formulating the policy of The Department of Agriculture. How could a department with 60 personnel, 60 staff, perform—

Mr. Wintermeyer: On a point of order and for the sake of brevity, I have never suggested that the hon. Provincial Treasurer should do that. I think he is still confusing the issue. He is not supposed to make policy decisions in this department but he presumably is supposed to provide the knowledge, the research and the statistical information on which policy decisions will be made. Now, is his department doing that for The Department of Agriculture?

Hon. Mr. Allan: We are not doing all the studies that are being carried on in The

Department of Agriculture because they have had an intensive study of their own.

Mr. Wintermeyer: Is his department doing any?

Hon. Mr. Allan: Yes, we are.

Mr. Wintermeyer: Specifically what?

Hon. Mr. Allan: If the hon. leader of the Opposition had listened this afternoon he would have learned that we had made a study of the milk market for them.

Mr. R. M. Whicher (Bruce): Which?

Hon. Mr. Allan: The milk market.

Mr. Whicher: What is the advice of the hon. Provincial Treasurer on that?

Hon. Mr. Frost: We did not get up around Wiarton.

Mr. Whicher: The hon. Provincial Treasurer studied it, and he has cost the taxpayers a lot of money. What is his advice?

Mr. Wintermeyer: It is not advice at all.

Hon. W. A. Goodfellow (Minister of Agriculture): It is not advice?

Mr. Whicher: It was a waste of time.

Hon. Mr. Allan: The information was handed over to The Department of Agriculture.

Mr. Wintermeyer: Well, what are they doing about it?

Mr. Whicher: What was the advice on the cold-storage plants?

Hon. Mr. Goodfellow: I would say, Mr. Chairman, that we do consult, and work very closely with, The Department of Economics; and I would think that, at any one time, we would have at least 25 studies going on in our own economics branch.

Mr. Wintermeyer: Well, now, where is the duplication? They talk about extraordinary expense and duplicating effort; if they are studying 25 different agricultural problems at one time—which is a good thing—what is The Department of Economics doing? Duplicating those same efforts?

Hon. Mr. Allan: No. We call them in only on special studies.

Mr. Wintermeyer: One of the things they have asked to be studied by The Department

of Agriculture, according to the hon. Provincial Treasurer this afternoon, was the cold-storage plants in the province of Ontario.

I would like one example of what their advice was in connection with this. This cost quite a bit of money; they have asked for \$500,000 this afternoon. What is their advice as far as cold-storage plants are concerned in the province?

Hon. Mr. Allan: Well, Mr. Chairman, I am most anxious to give any information. I have already stated that the study that was being made in connection with the assessment of cold-storage plants—if the hon. leader of the Opposition had listened he would have heard the statement that I made—is being undertaken at the present time. It has not been completed—

Mr. Wintermeyer: Mr. Chairman, may I ask the hon. Provincial Treasurer whether, at the present time, there is any study being undertaken by his department in respect to automation in the social and economic effects of automation on our industrial development, and on employment and on unemployment?

Hon. Mr. Allan: There has been some study—not a thorough study; but if the hon. leader of the Opposition will study the brief which was presented in connection with the automotive industry presentation at Ottawa, he will learn from that the—

Mr. Wintermeyer: Mr. Chairman, am I to conclude that the study related to automation is the study which was made for the presentation of the automobile brief? Is that the study—

Hon. Mr. Frost: May I point out to my hon. friend that if he took all the economics departments of all the universities in Canada, if he took all the work they are doing, even then it would cover only a small segment of the Canadian scene. Now, of course, that is so with The Department of Economics; with a staff of 60, which includes stenographic assistance and everything else, it could not begin to. I would say to my hon. friend—

Mr. Wintermeyer: I agree with the hon. Prime Minister 100 per cent, but I do not think the department will do it in the future unless they organize it.

Hon. Mr. Frost: Well, of course, the hon. leader of the Opposition could not do it.

Mr. Wintermeyer: Exactly.

Hon. Mr. Frost: Nobody would ever have wanted to do it—

Mr. Wintermeyer: Why is the hon. Prime Minister saying they will?

Hon. Mr. Frost: Nobody is saying they will.

Mr. Wintermeyer: In the introduction of the bill, the hon. Prime Minister certainly says that this department would be—

Hon. Mr. Frost: Oh, no, no! If we take one of the great banks of this country, we will find that their economics department would probably not be any larger than ours; perhaps not as large. But here is the situation; what they do is this:

They take the Canadian problem as it comes from perhaps 1,000 different branches; and there are specific things handed over to their department of economics to study, and I suppose, then, at staff conferences, the decisions are passed along.

In any Department of Economics we are going to have in government, the studies are going to come from the particular pressures of particular needs. Things not so pressing and, perhaps, not pressing at all, stand over.

At the moment, there are, of course, pressures related to our marketing facilities, our trade overseas, our trade with other countries, our trade within ourselves, our ability to compete, the problem of assisting and integrating industry.

I will give my hon. friend an example, here.

The other day, I was talking to quite a prominent industrialist from the Niagara peninsula. I was discussing with him the problems of his industry. He is a gentleman who has visited Europe and the far east, and is a very knowledgeable man.

He said: "In other countries, we find that government is co-operating very closely with industry and, as a matter of fact, is very closely identified with industry. I think that our combines laws in this country are completely archaic and out of date."

Well, now, let me say this—

Mr. Wintermeyer: Is the hon. Prime Minister investigating?

Hon. Mr. Frost: May I say this: that to investigate that problem, I can assure my friend, would take all of the 1960s, or a considerable period of time.

Mr. Wintermeyer: Exactly.

Hon. Mr. Frost: Let me repeat this, from my friend. He said: "In other countries, from whom we are meeting very severe competition at the present time, they are actually sponsoring combines and cartels in order to

operate together to sell goods in the Canadian and American markets. And, here, we are hitting industry with the same big stick that—"

Mr. Wintermeyer: Exactly. Is the hon. Prime Minister for or against it?

Hon. Mr. Frost: —with the same big stick that Teddy Roosevelt threatened labour 50 years ago." The hon. leader of the Opposition asks if they are my views. I say to my hon. friend that I am prepared, in this new world, to take a new look at everything.

Interjections by hon. members.

Hon. Mr. Frost: Well, that is what we are endeavouring to do. We are endeavouring not to be bound by the chains of anything, but to be able to help our people, to be able to look at the challenges of the new world. That is what we have to do.

I can say this, we can only do our best—

Mr. D. C. MacDonald (York South): The hon. Prime Minister's government helped the federal government to maintain the brewery combine.

Hon. Mr. Frost: I beg your pardon?

Mr. MacDonald: He helped the federal government maintain the brewery combine.

Hon. Mr. Frost: Well, I do not know anything about those things. That is something that my hon. friend might be more familiar with than myself. But I am only talking—

Mr. MacDonald: Let the hon. Prime Minister examine the role he played in it—

Hon. Mr. Frost: I am talking about the general matter of helping our people to gear themselves, and to gear industry; and to help labour to gear itself to the problems coming from the outside; and to help our people here to maintain their standard of living against competition that is coming from elsewhere.

I just mention one facet that comes from one conversation with an industrialist—a young man of great ability—he tells me that we are archaic in our treatment of combines in this country.

Interjection by an hon. member.

Hon. Mr. Frost: Well, all right. I am saying that, if we were to turn and say to our Department of Economics: "You major on that," we would not see them, nor would we get anything done for another 6 months.

Interjections by hon. members.

Hon. Mr. Frost: I say that we have to do the best we can. Here is a department, built from nothing, that today is costing us \$500,000. It is within our means to fit it into the picture; and we have to do the best we can.

If our fellows in The Department of Economics can talk to the economists who are now with banks, with industry, with labour unions and the like—and talk to them knowledgeably about their problems—out of this, perhaps, will come the solution. That is how we have to view it. I do not think for one minute that we could say to our department: "We want a white paper on the matter of automation."

I would point out to my hon. friend that when we get into that subject, the staff would study the milk business or anything else; they would not have time. It would take their entire time to do that one thing. I point out—

Mr. Wintermeyer: Have we become an industrialized society in Ontario?

Hon. Mr. Frost: Pardon?

Mr. Wintermeyer: Have we become an industrialized society?

Hon. Mr. Frost: Well, my hon. friend can answer that question himself. I think that is one of the problems of today.

Mr. Wintermeyer: Certainly, we have. Mr. Chairman, I think it is the responsibility of this government not only to acknowledge the obvious but to do something about it. We are not going to have a bigger secondary industry unless some tough decisions are made by the hon. Minister of Commerce and Development; and he had better have some more information than what he has now before he makes them.

It is not going to be easy. Talking about it is not going to solve this problem at all. And if we pretend to be the forerunner of the greatest industrialized province in the Dominion, then we have to have more information than we have.

Now my understanding is that, in Quebec today, they have sent delegations to Ontario to woo away a good many of our industries because of their ability to sell cheaper electrical power than what we can offer. What study are we making? Are we going to permit that?

Even Saskatchewan, I understand, is trying to woo away some of our industries here in Ontario. And the information I have again—only from friends in the business—is that

other governments in other parts of Canada are doing far more than the government opposite for industry, and in consideration of the problems of industry.

I am not one who believes in building industry for the sake of building it but—with Henry Ford—I do believe the first social function of industry is to provide jobs, and that is what we must be concerned about if we wish to increase and develop the industrialization of this province.

Sure, we will all talk with all persons who will talk about the problem. But the hon. Prime Minister, as head of the government, has a responsibility to lead.

What direction should we take? Maybe the difficult choice will have to be made in the future. Are we to stress secondary industry or primary industry? I do not like the fact that all our primary industry is exported. It would be much better, we all agree, to process it here in Ontario. But we do not know today what portion is expected and how we are going to sell that production outside Ontario.

I suggest to the hon. Prime Minister that 90 per cent of our secondary industry is sold in Ontario and Canada, that we have to find a foreign market in regard to the automobile industry. Maybe the hon. Prime Minister should be concerned with making a trade arrangement with the new President of the United States to manufacture one line only, for the whole of the North American market. This would be new. This would be breaking the chains of the past. But he will not do it without knowledge and information.

That is my simple appeal to him today. It is not the appeal of a crank. It is not the appeal of one who is bitter. It is the appeal of one who is interested in industrial development in Ontario.

Hon. Mr. Frost: I might say to the hon. leader of the Opposition that, of course, he can confuse himself and everybody else by a cavalcade—if I can put it that way—or a succession of thoughts. Anybody can do that in the world today.

He has thrown out probably a dozen different things to which he does not know the answer; and, as a matter of fact, in many cases we, ourselves, and industry strive for the answer.

He mentions industry, and the abilities, perhaps, of other provinces to get industries from the province of Ontario. Frankly, I do not know of any such things, at the present time, but let us face this thing boldly.

In our sister province of Quebec, they

have immense water power. There is no power cheaper than the power generated from water running downhill. They have it, that is true, in Newfoundland as well. And, I imagine, with the growth of America, the Grand Falls in Newfoundland, which today is an immense waste, will be harnessed to produce power some day.

I do not think this province of Ontario should ever compete in industries requiring immense amounts of power and little employment. I think the hon. leader of the Opposition will agree with that.

Industry, requiring immense amounts of power per capita of employment, would be far better off if it went elsewhere, because our power is bound to be more expensive.

Let us look at the facts of the situation. In the last 50 years, we have developed practically all of the available power in Ontario which can be generated from water power. We have pretty well reached the total. We are going to have to turn, and we are turning now in a big way, to thermal power generated from steam, and gas, and nuclear power. It is going to pay us to use and to bring the type of industry to Ontario which employs a lot of people and is modest in the use of power. I think the hon. members will agree with that.

There is no use becoming alarmed at the fact that certain types of industry are going elsewhere. As a matter of fact, in the economy of our country, industry ought to go elsewhere.

The days when we have large blocks of surplus power are completely over. It used to be—in the Niagara peninsula, for instance—that because of the development of power on the Niagara river there were immense blocks of surplus power which were sold for almost a few cents per horsepower on an unintermittent basis. I would say that those days are over in this province.

It is true that there is a small amount of exportable power—the hon. member for Stormont (Mr. Manley) mentioned that—exported at will between, say, the state of New York and the province of Ontario. But, remember, those things depend upon reciprocal arrangements. They support our grid when we need it and we support their grid. Other than that, the days of the very large export of electrical energy generated in this province is very rapidly coming to an end.

Now, that situation may not apply in connection with the export of energy derived from natural gas which, of course, is a very important form of energy. It may be that

Canada—and this is outside of our area—may have sources of natural gas and oil which would justify an export on a considerable basis. That is something for another level of government, and for another provincial jurisdiction, to determine.

But, I say to the hon. leader of the Opposition that some of the statements he makes—I mean he throws out—that industry leaves this province, and so on, are going to depend upon the economics of the situation.

One of the great magnets which draw industry to Ontario is our fast-growing population. That is the greatest asset. With a fast-growing population, we can meet the problems of increased cost of power, provided we are not profligate with the use of power, and we can use it in areas routed to industries where we can get large employment.

We would like to see industry spread evenly across the province. As a matter of fact, no matter what we do, there is a growing concentration of industry in what might be termed the golden horseshoe stretching from Oshawa around to St. Catharines.

Mr. A. J. Reaume (Essex North): Is that bad or good?

Hon. Mr. Frost: Well, I would say that it certainly has its bad elements. On the other hand, an industry wants to come to this area because it has within a short range the biggest purchasing market in Canada. That is why it comes. The minute it comes here, of course, it increases population, and the minute it increases population, it increases our problem.

Mr. Reaume: That brings up an important fact right there.

Hon. Mr. Frost: Of course it does. Take, for instance, the hon. member's own city of Windsor. I must admit I would much prefer to see—from the standpoint of the even development of our province—the Ford plants in Windsor. But they came to this area **because of the proximity to markets.** There is no avoiding that.

Mr. Reaume: Freight rates.

Hon. Mr. Frost: I would say principally the fact that it is simpler to market their goods and I would say to the hon. member for Oshawa (Mr. Thomas) that his area, being part of the golden horseshoe, has a definite advantage.

I would like to see industry spread out in Owen Sound, Orillia, Lindsay, and places like Windsor, North Bay, Sudbury and so on.

As a matter of fact, some things are encouraging in the north country—extremely encouraging. The coming of natural gas to northern Ontario has completely changed the picture. I prophesy for that area an immense population, and it is a place which can support an immense population.

However, we could put The Department of Economics on any one of these matters and we would not hear of it for 5 years.

Mr. Reaume: On that point I notice here that the hon. Prime Minister has about 15 pages in his brief devoted entirely to automobiles—I think about 15 whole pages. I have tried to read it all. I honestly think that he has done a good job in preparing the brief. I think it was last April when I spoke with him and to other officials on this very subject, because it is a problem that worries people who come especially from automotive cities such as I do.

We talk about the Ford Motor Company, for instance, moving the assembly plant out of Windsor. The hon. Prime Minister mentioned properly and truthfully the reason for it.

The hon. Prime Minister pointed out in this brief many of the ills of the automotive field which affect the economy of this province, because practically all of the automobiles of Canada are built in the province. But I looked through this brief and could not find any definite recommendations to the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) or the commission.

I am wondering if this government—and we might be infringing upon the federal field—is going to treat private enterprise as though it was a sacred cow forever. I say if we do not start pointing out to industry pretty soon the responsibilities that it has to people, it might be that even in our time, our way of life may become a thing of the past.

I do not think it is beyond reasonable thinking that the hon. Prime Minister of this province, or even the Rt. hon. Prime Minister of Canada, should call together the heads of industry and point out to them what industry's obligations are and the responsibilities that they owe to their fellow-countrymen.

We have had some plants at Windsor that have been there for years: men have given the best part of their lives—and this is economics, I think—only to find without much notice that the plant would close, pack up and say: "Goodbye, we are going elsewhere."

I am not sure we can keep on giving industry that right. I know it sounds a little harsh where people have invested their

funds, it is their money. We all agree on this business of private enterprise, but is there not a plan in England that before an industry can locate in a spot, it must first have the approval of a department of government?

I think we should have a voice in these things because it affects the lives of human beings. I do not think we can treat these people like a herd of cows or animals. After working them for 25 years or 30 years industry should not be able to throw them on the street.

One of the reasons I am certain the city of Windsor had the problems it did in the financial field was because certain automotive industries advertised across this land of ours that they were paying a high wage.

Sure it was a high wage—a high, hourly wage—but not too many hours, and the annual pay was not very high. They worked those men until they got tired of them or had nothing more for them to do, with overtime and everything, and threw them back on the laps of the city and said: "Now this is your baby, you nurse it and you feed it."

Consequently, in the years of 1929, 1930 and 1931, one of the greatest things I think that contributed to the failure of that part of the country financially was because we had to pick up the bill for people, and quite properly so.

We did not holler at that time nor are we hollering now. But we do say that the time is rapidly approaching when government, both federal and provincial, has to—for the good of industry itself, and, indeed, for the good of human beings—take a good look at this thing. The governments must stop this business of treating private enterprise as though it were a sacred cow that we must continuously bow down to in order to protect private enterprise as we know it.

I think that, before some other "ism" sneaks in the back door and steals our way of life, it might be well if we were to call in the heads of industry and have a good heart-to-heart talk with them.

I want to point out one important thing, in the automobile field—

Interjections by hon. members.

Mr. Reaume: Now, will the hon. member for Woodbine keep quiet for a moment? He is a great man. I will tell the House how great he is. He is a real champion of the working man, especially the man who works in Canada, and more especially for those who work in our province.

I was standing outside the other day. I could hardly believe my own eyes when up drove the hon. member for Woodbine with a little putt-putt that was made on the opposite side of the ocean.

Now I hope that when he comes to the city of Windsor he will bring that thing with him, and I hope that he frankly admits to the automobile workers of the province that he is not such a great friend of theirs after all.

I think it is pretty near time that these people who run across this province telling the working class what great friends they are should have enough faith in the ability of the Canadian people to buy cars that those workers have made.

Mr. T. D. Thomas (Oshawa): How small can the hon. member be?

Mr. Reaume: Mr. Speaker, on the matter of—

Interjections by hon. members.

Mr. Reaume: If he wants to drive that foreign-made car, he can drive it, but I think he is not adding anything by driving it.

One of the things, Mr. Speaker, I wanted to point out, was a statement made not long ago in a speech here in this city made by the hon. federal Minister of Labour (Mr. Starr). I did not know that this was true, but I accept his word for it.

He said that it is not really the wages that are being paid to the automobile worker in Canada that is driving us out of the markets of the world. He said it was profit, and that it might be advisable for the automobile manufacturers along with others to take a good look—

Mr. Thomas: Sit down and let someone more sensible speak.

Mr. Reaume: Well, that is a nice crack coming from an hon. member who calls himself a gentleman. As I was stating, the hon. federal Minister of Labour made these statements. He is a reputable man and I am quoting—

Interjection by an hon. member.

Mr. Reaume: Hon. Mr. Starr made the statement that industry should take a good look at profit. I want to say that I agree. The other part that I want to talk about is this—

Mr. MacDonald: Does the party of the hon. member agree?

Mr. Reaume: Certainly my party agrees. They at least keep their mouths shut when other people are talking, that is one thing they will do.

Mr. Chairman, in the city of Oshawa, I am told, some time ago General Motors built a Corvair plant. I am further told that this plant was built especially for making Corvair cars. I am further told that not one new Corvair has passed over the assembly line in this new plant.

Mr. Thomas: Now I am sure the hon. member does not know what he is talking about.

Mr. Reaume: It is true that there are some Corvair cars being made in Oshawa but not in this plant. Now, in order to prove how unfair some of the automobile companies are, even though Corvairs in rare instances are made in Oshawa, the very same company is importing cars from the United States.

The Tempest is one, the F85 Olds is the second and the third one is the Buick Special that they import for the specific purpose to be on the competitive market with the car that they make in Canada.

Now the point I am getting at is that my home happens to be within one block and a half from the bridge between the city of Detroit and the city of Windsor. A window at the back of my home faces the bridge, and every day hundreds upon hundreds of imported cars made in the United States are being brought across on trucks. To any man who lives in an automotive town, if this is not enough to make his blood curdle, I do not know what is.

I have got to the point where I think we should give serious thought to a recommendation to the federal people. After all, it is our province that these cars are being built in, it is our province that is being hurt more than any other province.

I am wondering if we should not give some thought to this, as they have done in Australia, Mexico and other places. I am wondering if we should not say to the automobile manufacturers: "If you want to sell cars here in Canada, then build them here." Because the only company I think that has been at all fair in trying to increase the amount of the Canadian content in cars is the Chrysler Motor Car Company of Canada, with their plant in Windsor, and for that I give them high marks.

But I am just wondering if we have not got this right, as men who are charged with the responsibility of the economy of this province, to call these men in and have a

heart-to-heart talk with them. Out of every 100 cars on our streets, 27 are of foreign extraction, and imports are going up. It certainly is obvious that if this thing goes on, we will become a province and country where automobiles will be made in other parts of the world and imported here.

Just two days ago I read an article in the Detroit papers explaining the British deal of Ford motor cars. In this article it explained that it was the ultimate purpose to build the baby cars or the compacts, over there. Now I do not know whether this is actually going to happen or not, but I think it is time that we found out whether or not it is the intention of the Ford Motor Car Company of England to build compact cars over there and export them here and every time they do, put more of our people out of work.

I am not criticizing, I am only pleading. If The Department of Economics is going to be worth anything—I tried to follow as they were explaining the very hodgepodge way of handling it—I would be one of those people who would gladly vote for a greater expenditure in the department, if they would employ the proper kind of people and get us some of the answers to this thing. I do not see how we are going to find out the answers if they do not employ experts and get right down to hard work.

Mr. Bryden: Mr. Chairman, it would appear that The Department of Economics has become a whipping boy for a great many grievances and confusions that appear to have arisen in the official Opposition ranks. I think that to a certain degree the government itself is responsible, because of the obvious error it has made in the baptismal certificate of this agency. It is described as, and has been for the past few years, The Department of Economics when in actual fact it is purely a research bureau.

I do not know if some special prestige attaches to the word "department" as against "bureau"—I do not see why it should—but obviously this agency is not a department in the ordinary sense of the word. It is a bureau set up to carry out research projects requested by the government and I, suppose to some extent, by others. It is not a department and it is certainly not in any sense of the word a planning agency.

Personally, what I think is needed in this province and this country is a planning agency to advise the government on co-ordinated plans for the economic and social development of the province in co-operation with the national government. I think we

should have such an agency, and if we had it then the research function would fall very naturally into place. The research function would become a support of the planning agency. I am not going to argue with the government about that, I know they do not believe in it. I am not quite sure where the official Opposition stands; they say one time they do not believe—

Hon. Mr. Frost: Might I point out to the hon. member that before this department was created a department, it was called "the bureau of statistics and research" and really it has grown from that. It was created into a department because of the dealings we were having, as I say, on the intergovernmental levels of the provinces and the federal government, and the fact that it was desirable to give the staff and the Deputy Minister the status in dealing with the other departments and to avoid, if we could, duplication wherever we could.

Mr. Bryden: I am willing to agree it was previously described as a bureau and I think the organization of it, or at any rate the title of it, changed two or three years ago. I think that it would be more properly described as a bureau. I do not think a bureau is necessarily small. The federal bureau of statistics, for example, is one of the largest agencies in the federal government.

However, I am not going to quibble about words. If the government wishes to describe the agency as a department, that is quite satisfactory to me. I think I understand what its role is in the government framework and I am willing to discuss it on that basis.

Mr. J. P. Spence (Kent East): Perhaps the hon. member will inform us what its role is?

Mr. Bryden: Well, that is really a large order and I have not the time at present to deal with it. There are one or two other matters that I would like to devote my attention to.

I was saying that in my opinion what we need is a proper planning agency to develop plans and advise the government on them, for the economic and social development of the province.

I have also said that I am not going to argue with the government on the point, I realize that they have a different social philosophy than I have, they do not believe that that is a proper function of government, and we will let it go at that. But there is bound to be some confusion on the role of

The Department of Economics, when they are operating in the present context.

My hon. friends of the Liberal party always proclaim that they are great believers in private enterprise. In fact, I believe the hon. leader of the Opposition stated on television not very long ago that he did not believe in economic planning, but he believes in economic co-ordination or something like that.

I would say that we cannot have co-ordination without planning. In listening to the efforts of the hon. members to the right, I think I am confirmed in this impression that we cannot have co-ordination without planning, because I have rarely seen less co-ordinated efforts than some of those they have been undertaking in the last couple of days.

However, they claim to be great believers in private enterprise and yet they are forever complaining because private enterprisers act like private enterprisers. The hon. member for Essex North said that we should not worship the sacred cow of private enterprise.

Well, of this group we have been trying to say that for years, they are the hon. gentlemen who always want to worship the sacred cow of private enterprise, but then when a private enterpriser acts according to the rules of the system—and surely within the framework of that system he should not be criticized—then the hon. member for Essex North squeals about it. In his typical fashion, he rarely deals with issues as issues, but always must start delving into someone's personal business and dealing with an issue on a pure basis of personalities. That is typical of him, I am accustomed to it, I think nothing of it.

As far as my own private business as to what kind of a car I drive is concerned, this is surely not a matter that has been any secret. I purchased this car new back in 1957. I have had it ever since. I have been parking it regularly out in front of the building.

I know that the hon. member for Essex North is rarely aware of what is going on, but I would have thought it would not have taken him 3 years to discover what kind of a car I was driving. I may say I have driven it on a number of occasions to his fair city of Windsor. I have driven it to the city of Oshawa, and, as a matter of fact, I drove it on one occasion to the united auto workers' camp at Port Elgin in Ontario. I am not ashamed of the car I drive. In fact, I take to myself a little credit for perhaps being one of many who have helped to gain a certain small measure of relief for the oppressed consumer of this country.

Some 3.5 years ago, when I found it was necessary to replace the car I then had, I looked around with a view to purchasing a car and found that the Canadian subsidiaries of American companies were determined that they were going to foist off on me some overstuffed, overgrown battleship that I did not want.

I refused to buy it, and as a consumer I exercised my right of free choice and refused to take something that I did not want. So I got another car and I was one of a growing multitude. I was one of the earlier ones, perhaps, of a growing multitude who refused to accept this phoney propaganda emanating from Detroit to the effect that you cannot be a man of significance unless you have a whopping big car. If I must depend on a car to be important, I do not want to be important.

Many of us have revolted against this tyranny of Detroit. I think that persons like myself have done a service to perhaps a lot of consumers. We have forced these Detroit manufacturers and their subsidiaries in Canada to recognize the fact that many, many people do not want their overgrown battleships. They have, therefore, had to make some effort to meet the genuine requirements of a great many of the consumers of this country.

Mr. Chairman, here is a spokesman of a party which used to call itself the free trade party. Now apparently, and I judge from further statements they have made, they do not believe in trading with other countries at all. They believe in autarchy, they believe in trying to pull themselves up by their own bootstraps; they are the extreme reactionary party believing that nothing should be purchased in this country except that which is produced here—

Interjections by hon. members.

Mr. Bryden: I can tell you there is nothing that will reduce the standard of living of people in this country more, Mr. Chairman. I realize it is very difficult to control this overgrown schoolboy, but perhaps since I have the floor I should be entitled to speak without this constant barracking from the right.

This is the great party of free trade, or so it is represented. Now, apparently, it is the party of extreme protection, that wishes nothing to be purchased in this country except that which is produced here. This will certainly be destructive of international trade and destructive of our own best interests in the long run.

Interjections by hon. members.

Mr. Bryden: Mr. Chairman, some of the suggestions which the hon. leader of the Opposition has made as to types of studies that might be undertaken by The Department of Economics, in my view, make no sense whatsoever. For example, his suggestion that The Department of Economics should be going into competition with the federal bureau of statistics to get different or supplementary figures—

Mr. Wintermeyer: Well, that is what the hon. member's suggestion—and he repeated it several times—amounted to.

Mr. Bryden: To go into competition with the federal bureau of statistics to produce additional or contradictory figures on unemployment is surely a total waste of time. Sometimes when I listen to the hon. leader of the Opposition I come to the conclusion that his answer to unemployment is to set up enough government agencies and departments and have them do enough useless things so that everybody will be working for the government.

But surely there is no reason why this department should have to do anything with regard to the collection of figures on unemployment. And I frankly cannot see why they should be subject to criticism on that.

On the matter of slum clearance I will say, Mr. Chairman, that I do not need a study from The Department of Economics to tell me that this government has done so little about slum clearance or housing generally that it is pitiful. To demonstrate that they have no policy on the subject does not need a study from The Department of Economics. I can see that just by driving along some of the streets of Toronto. I know they have done nothing, I know they have no housing policy, so why do we need a study on that? What we need on the question of slum clearance and housing is not more studies, but some action—

An hon. member: Hear, hear.

Mr. Bryden: —and I hope that, at an opportunity when it may be a little more in order, we may be able to discuss that matter in greater detail and put forward some suggestions for action which apparently the government has never thought of to date.

As to a study on Hydro rates, it is possible that such a study may produce useful information. I find it a little difficult to follow the sudden concern the hon. leader of the Opposition has apparently developed on this

point, when he and his party have steadfastly refused to support the proposition of providing gas in this province at cost to both industry and domestic consumers.

The sacred cow of private enterprise, that the hon. member for Essex North was talking about, was so fervently worshipped by them on that occasion that they could not see the best interests of the province.

Now, surely, it is very important to industrial development in this province to have gas at the cheapest possible price just as well as low-cost hydro. Yet the system of distribution that we have in this province, and which apparently the Liberal party supports in all its essential outline, is one that is bound to ensure that we will not get gas at cost in the province.

However, Mr. Chairman, there was one point raised by the hon. leader of the Opposition which I think does merit considerable study by The Department of Economics, even though the hon. Prime Minister, I think, tended to dismiss it rather out of hand. That is the whole question of automation.

I am glad to see that the Liberal party is beginning to get concerned about this problem. It is a problem that has been with us for some substantial time. When we had a Liberal government in Ottawa up until 3 years ago, we could never get them to take any interest in the matter, although representations were made to them many times by many people that this was an important problem to which consideration should be given.

This, Mr. Chairman, is undoubtedly the major domestic problem of our era. I am not now concerned with the great problems of peace and war, and as far as our domestic welfare is concerned, there is no doubt that automation and rapid technological advance generally is a problem which should be receiving the utmost consideration from all levels of government.

It is a development which can be a tremendous boon to the people of this country and to humanity generally. But it can also bring with it the same sort of dislocations and misery as the previous industrial revolution brought with it. Surely it is high time governments started to take regard for some of the problems that are arising in connection with the development of automation. Surely this great new phenomenon imposes on government the obligation to consider planning the development of our economy and of our society generally.

This is fundamentally the responsibility

of the federal government. But it is a matter to which the province also should be giving attention, and to the degree which the federal government fails to consider the matter, I think an obligation is imposed on the provincial government to step into the breach.

Yet the hon. Prime Minister has indicated that he really does not think—at least this is what I understood his words to mean—he does not really think this is the concern of his government at all. He said something to the effect that if The Department of Economics started to study the problem of automation, it would not have any time to study anything else. Maybe this is much more important than anything else that might be studied.

Mr. Chairman, this brings one logically back to the point that I started from: essentially what we need is a planning agency. With a planning agency the research work would fall into place; it would become a part of the total programme. The hon. leader of the Opposition stood up and asked point after point, as to what The Department of Economics is doing on research in various areas. My impression was that the hon. Provincial Treasurer was putting as bold a face as he could on it. But frankly it appears that the department is not doing too much about most of the subjects raised by the hon. leader of the Opposition. That was my impression as an interested observer.

It should be pointed out, however, one could have an agency with a staff of 1,000 economists and somebody could always find some subject on which they were doing no research. There is no limit to what might be done. But the problem is that at the moment the agency we have is merely one that does a job here, takes an assignment here or an assignment there at the request of the government.

It is all very important and no doubt very useful to the government, and I have no doubt that they wish to continue and expand this agency. But it is not a fundamental and basic research job and study of the problems of the province which would be a part of an overall planning process.

In conclusion, Mr. Chairman, I would like to make reference to an effort of the hon. Attorney-General last summer. As I understand it from reading the papers he arranged, with much beating of drums and a great blare of publicity, to have Professor Parkinson appear before the committee on the organization of government or whatever the title of that standing committee is.

Professor Parkinson came here and was introduced by the hon. Attorney-General and others as a great authority on problems of government and one who should be listened to very carefully by all hon. members of the Legislature and all those interested in government. As far as I can recollect, and I must confess that I am again relying mainly on newspaper accounts, about the only concrete suggestion Professor Parkinson made was that The Department of Economics should be abolished.

I take it from the estimates that have been presented to us that the government did not accept that recommendation of Professor Parkinson. In fact, I wonder what purpose his visit served.

I take it that the government has come to the conclusion that bringing Professor Parkinson here was a total waste of money, that he really has very little understanding of the problems of modern government and very little to contribute to their solution. At any rate, that is the conclusion I would draw from the estimates that are before us at this moment.

Hon. A. K. Roberts (Attorney-General): I think that, perhaps, it might be interesting for the hon. member to know that Professor Parkinson came here without any fee attached to his attendance at all. He created a fair amount of interest and gave views that were sharply in contrast with the views of a lot of other people. I found them extremely interesting myself and, in fact, I would rather hear them any day than some of the views of the hon. member for Woodbine.

Mr. Whicher: Mr. Chairman, I would like to tell a little story about something that happened in my own riding. Certainly it does not matter to me, not coming from an automotive area, whether the hon. member for Woodbine drives a Volkswagen or an Oldsmobile, but I think he would appreciate this story.

I see he is going, but probably the hon. member for York South will tell it to him.

In my area the united automobile workers have a summer camp, and I am sure the hon. member for York South knows about it. These hon. members have said that it is our right and privilege to drive any sort of car that we wish in this province. That is correct, according to the hon. leader of the CCF (Mr. MacDonald).

This is what happened in Port Elgin. This is a true story and actually happened. The united automobile workers have a summer camp there and they are serviced by a local

dairy. That dairy was using a Volkswagen truck. The owner of the dairy was called into the office of the united automobile workers and told this: "If you do not change your truck and use one that is manufactured in Canada we will stop buying milk from you."

I wonder what the hon. member for York South would like to say about that. I will let him speak.

Mr. MacDonald: Would the hon. member permit a question?

Mr. Whicher: I will.

Mr. MacDonald: If the hon. member for Bruce would read the brief of the united automobile workers to the government on this whole problem, then he will concentrate his fire on the industry which is not providing the consumers with what they need instead of confusing it in the way he is now doing.

Mr. Whicher: Mr. Chairman, I have not confused the issue at all. I just told this House the facts. I would like to ask the hon. member for York South if he agrees with the action of the united automobile workers in telling this man that he must get rid of that truck or lose the business?

Mr. MacDonald: Mr. Chairman, I am not aware of this and I am not in a position to answer it.

Mr. Whicher: I am telling him on my word of honour.

Mr. MacDonald: But I will say that I do agree with the brief of the united automobile workers to the government, and that brief is, Mr. Chairman, primarily what the hon. Prime Minister said many times, and that is that if the automobile industry does not wake up to the facts of life on the North American continent they will be driven out of the automobile industry altogether.

Mr. Whicher: All I have to say, Mr. Chairman, is this. I think it is grossly unfair that a big organization such as the united auto workers should come along to a poor dairyman in Bruce county and say that he must get rid of that truck or lose their business, and at the same time they condone the actions of the hon. member for Woodbine in driving one of the same type. You cannot have your cake and eat it too.

Mr. MacDonald: Would the hon. member reconcile why he is today supporting the Diefenbaker government on the issue of the railroad workers while the federal Liberals are opposed to it?

Mr. Whicher: Mr. Chairman, there are so many efforts by the hon. member for York South to confuse the issue. I could give a theoretical question and say this: Why in the name of heaven do the CCF allow the hon. member for York South to be the leader? I am sure none of us understand how he happened to get that. I do not understand it at all.

What I want to know is why the hon. member condemns a poor dairyman for using a Volkswagen truck in Bruce county and yet allows his own member to drive one of the same.

Mr. MacDonald: I have no answer for that one.

Mr. Whicher: No answer at all?

Now, Mr. Chairman, I listened with a great deal of interest, of course, to the hon. Provincial Treasurer and Minister of Economics this afternoon.

He is a man for whom I have a great admiration, and I would like the House to know this. He has been chairman of the select committee dealing with the prospects of compulsory automobile insurance in this province. It is the first time that I have ever sat on a select committee but if I sit on any more in the future all I hope is that we have such a capable chairman as he.

However, Mr. Chairman, I am not here to talk about insurance this afternoon. I have listened, as I said, with much agreement with what the hon. Provincial Treasurer has said. On the other hand, there are some misgivings in my heart that, though this is a relatively small department as far as financing is concerned, is it all necessary?

I believe that not too many years ago, out of The Treasury Department or out of the government as it was then constituted, along came a Minister of Planning and Development who was supposed to look after the planning and the development of this province and the industry of this province.

Then they wanted to create a few more jobs and I think it was done quite capably in many respects. Then they wanted to create a job for somebody else and so along came The Department of Economics.

All that we have heard this afternoon is the fact that we are having research into various matters, that they advise The Department of Agriculture or The Department of Municipal Affairs or any department of government about certain things that they may think are right. On the other hand, the hon. Minister this afternoon has not told us one solitary

thing that the Deputy Minister of Economics has advised him to do.

In dealing with agriculture, as an example, he said that the department was having an investigation regarding cold-storage plants. In dealing with The Department of Municipal Affairs, he said that they were making studies about the unconditional grants that are given to the municipalities of this province by the hon. Provincial Treasurer of the province of Ontario.

I will tell you this, Mr. Chairman: the farmers where I come from in Bruce county are a little bit tired of all this research and investigation into packaging and selling goods, and they want a little bit of action for a change. That is what I was hoping that the hon. Minister would stand up and tell us this afternoon.

I was hoping that he would stand up and say that, as a result of this department being formed 2 or 3 years ago, this department has advised the hon. Minister of Agriculture that the way we are going to sell bacon in England is as follows; that the way we are going to sell powdered milk somewhere else is as follows; that the way we are going to export some of our secondary industry manufacturing is as follows.

I have not heard one concrete suggestion by the hon. Minister this afternoon as to what the results of this department have been. Oh, yes, he says, they are going to look after the federal-provincial conferences. When we have one in Charlottetown they will be a sort of liaison officer between the province of Ontario and perhaps the federal government and the other provinces of this great Dominion.

I suggest, Mr. Chairman, that when we have such a very, very serious economic problem in this country, the hon. Minister should be able to tell us this afternoon about some of the results of The Department of Economics' studies. After all, whether the hon. members across will admit it or not, we are in a serious state at the present time. Many of our small industries The Department of Economics are supposed to be investigating are in bad shape financially. They cannot even sell their goods in the province of Ontario, let alone in the United States or in other foreign countries.

Our farmers are in a serious predicament. At the present time, we have 135 million pounds of butter in stock in Canada. Have The Department of Economics, in advice to The Department of Agriculture, let us know how we can sell some of this? All of us agree that this Department of Economics, or some

department of that overloaded government across the way, should go and sell this food and our manufactured goods somewhere. But so far, Mr. Chairman, there have been no results whatsoever.

I do hope that next year, as a result of the research that the hon. Minister says the department is going to do, they will be able to come to us and, instead of telling us what they are going to do, they will be able to say that they have done it; that through this department some of the manufactured goods, that our industries have produced, have been sold in other lands.

Mr. Chairman, I certainly think that the department has much that it can do. I do hope that in the year to come they will come back and give us a little better report than they have given us this afternoon.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, as a relative newcomer to the House, I must admit that some of my questions may seem to be elementary, but I have a few comments with respect to the estimates of The Department of Economics, and I hope to ask the hon. Provincial Treasurer a few questions.

It seems to me that The Department of Economics is one department which should be charged with showing some creative leadership to inquire into the affairs of this province and advising somebody.

Mr. Chairman, my hon. leader (Mr. Wintermeyer) today asked several questions of the hon. Minister with respect to what is being done by this department. As far as I can see, the hon. Minister has been unable to give a satisfactory answer to any of those questions. It seems to me that every department of government has its own economic department within it. As far as I can see, from the answers which have been given by the hon. Provincial Treasurer this afternoon, there seems to be little or no co-ordination between those departments.

Certainly we must start somewhere, Mr. Chairman, if we are going to evolve some type of policy that has common sense in it. Since I came to the House, I have heard several hon. Ministers of the government opposite take credit for the progress which has evolved in the province of Ontario throughout the past few years; growth which has been unprecedented in the province of Ontario and which, I suspect, Mr. Chairman, is in spite of the government rather than because of it.

I think this is growth which has evolved as the result of the initiative, imagination of

private enterprise with little or no direction from the government, and more particularly from The Department of Economics. It would seem to me that The Department of Economics should have taken the lead in discussing the problem of unemployment. As far as I know, they have yet to come up with any type of a survey to tell us anything about the labour force in Ontario. It may be—and I shall be glad to be enlightened—that there has been little co-ordination between that department and The Department of Labour. I would like to know whether or not The Department of Labour has requested any information from them.

I think my hon. colleague from Dovercourt (Mr. Thompson) made some valid points when he spoke in the unemployment debate. He mentioned a study which had taken place in the great country to the south of us; a special committee on unemployment problems which was conducted by the United States Senate, and different problems which they had endeavoured to analyze.

It is my opinion that The Department of Economics of the province of Ontario should be studying various problems with relation to the labour force. I think the matter of automation is not something that can be put aside or treated lightly.

The hon. Provincial Treasurer, in answering some of the questions of my hon. leader this afternoon, told us that studies were being made of this problem and that problem and some other problem. It is my understanding that this department grew out of a department which was obtaining statistical and research information.

I ask the hon. Minister this question, sir: What has this department been doing for the past 5 years? As far as I can see, they have neglected to bring in any concrete suggestions. If they have, they have advised the government only. Certainly since I became a member, the only information which has come to my desk has been this matter of the zone studies which have been made of the regional zones within Ontario.

I suggest that it is not a matter which could have been conducted with any creative imagination, but rather a matter of assimilating voluntary information which came into the department from the various municipalities.

I suggest that the department might consider this matter of unemployment. I am of the opinion, as a result of the many answers which were given by the hon. Ministers of the government, that those hon. Ministers are not treating the unemployment situation as a

serious problem, but rather have given several innocuous answers as to what was really being done about it.

I suggest that this department should have some answers, and should be able to tell us something about the economic growth and labour projections in this province over the next 10 years. I suggest that they should be able to, in some reasonable manner, accurately forecast the probable industrial composition of, for instance, the 1975 labour force.

Surely if we are going to deal with these problems we should have some reasonable assumptions to work on.

Surely it should not be a case of hit and miss, and, when the problem is upon us, search, as a drowning man clinging to a straw, for piecemeal methods of correcting the situation. This is a thing that should have been forecast. It seems to me that this is the problem of the economists. This is what I think they should be doing in the province of Ontario.

We were talking about the matter of winter works. I think the hon. Minister of Municipal Affairs (Mr. Warrender) mentioned some 13,000 people were now working in Ontario as a result of the winter works programme which has been sponsored by the government.

I suggest to the hon. Provincial Treasurer that possibly a policy of "buy Canadian" might have created, in one or two instances, more employment than did this whole winter works programme. And I suggest that if these economists were working on this situation, they might be able to advise this government of the implications which have arisen as a result of the failure on the part of the Hydro to "buy Canadian" which resulted, according to my information, in the steam plant in Windsor being serviced with English-made turbine generators, purchased out of the country; and which resulted in a loss of some two million man hours on this one particular purchase.

It seems to me that economists in the government should be in a position to advise the Legislature. I am not sure, when public funds are being expended, that some of these studies should not be made available to all hon. members of the Legislature so that we might have some idea just what is taking place in The Department of Economics.

It has been suggested that this is a research group. The hon. Prime Minister stated that, if all the things that had been asked for in the Opposition were done, the makeup of The Department of Economics might have to be increased; that they just could not do

it. I suggest to the government that possibly they should be bringing in an estimate of some 10 times what they are bringing in this afternoon. It seems to me that it would be pretty cheap in the long run if, as a result of these studies, we were able to determine some manner in which we could cut the unemployment taking place in Ontario today.

I would very much like the hon. Minister to indicate to this House just what studies have been made by this department in the past 5 years. I think this is a very reasonable question, Mr. Chairman. Surely they must have conducted some studies in that period of time; with a budget of \$500,000 a year, something of a concrete nature must have been done.

As far as I can see they have made a submission of some 15 pages. I think the hon. member for Windsor stated that figure to the group which was in Ottawa studying the automobile problem. But just what has this department done? From the answers which have been given this afternoon, it seems they are studying everything but really accomplishing nothing.

I think that, getting back to the unemployment situation, they might study the trends with respect to the unemployment of women; they might study the effect of technological advances on the labour force and make policy suggestions. I think they might study the problem of older people finding employment today; I think they might make suggestions—reasonable suggestions—with respect to portable pensions and the effect it would have on the overall employment of older persons in the province of Ontario.

I think that, today, we live in an age of specialization. I was interested to note the hon. Prime Minister's comment about his views on various problems—and I respect the hon. Prime Minister's opinion—but it seems to me that we should have more than an opinion; we should have some accurate information from people who have been studying this problem, which should be made available to all hon. members of the Legislature in order that their opinions in this House might be qualified opinions rather than "guesstimates."

It is very seldom I agree with the hon. leader of the CCF group, but he did make one suggestion last year in the House which I think had considerable merit—when he pointed out that it was very difficult for members in Opposition groups to come up with suggestions which might be constructive because of a lack of resources and funds to complete studies.

Some \$500,000 is being spent by the government on economic studies, none of which is available to the Opposition; it seems to me that if this department is not going to make any studies which are useful, perhaps something might be done to follow up the suggestion of the hon. leader of the CCF; in which case, I am sure something more constructive would be forthcoming.

The hon. Prime Minister stated that these studies usually came when there were pressures, from other departments of government, for information which might be available from the department. I think this is reasonable, but it has often been said that an ounce of prevention is worth a pound of cure. I think that the cart is ahead of the horse and that some leadership and some creative thinking should come from The Department of Economics in the form of advice to the various departments of government.

Mr. Chairman, these comments have probably been a little bit piecemeal. Perhaps they have not been in the logical order in which I would like to have presented them.

The point that I wish to make is that I feel that this department should be coming forward with some type of policy. I believe that some information should be given to the Legislature, as a result of these studies for which public money has been extended, in order that hon. members on this side of the House might be in a better position to determine whether or not these expenditures are reasonable; whether or not we feel they should be increased or decreased; or just what stand should be taken.

Mr. J. Chapple (Fort William): Mr. Chairman, a great deal has been said about this particular subject but I would like to bring it back properly to a means or an area where we can save a little money or get suggestions along those lines.

With the government departments such as The Department of Planning and Development or Commerce and Development as it is at the present time, and the hon. Provincial Treasurer, there are two related, or several related, areas of departments which are doing more or less the same thing. There is the trade and industry branch of The Department of Planning and Development; there is the research foundation, and then there is The Department of Economics—and all these things, I think, can be co-ordinated to a much greater degree, and put under one hon. Minister.

When the government's policies are set, as

they should be, it is going to go in a certain direction. The cabinet sets that direction. But there are two hon. Ministers through which this direction could go. It should be through one—otherwise it is almost impossible to do it properly.

The Department of Economics is very closely related to the research foundation, to trade and commerce, to industry. Information we seek is all correlated, and I feel that this should be all put under one Minister, where the members of these other bodies could be interrelated to help each other.

I think many men in The Department of Economics could be of help to these other groups, and I think it is really a waste of money not to bring it to the point where we can have the cheapest or the best way of handling a department.

The hon. Minister of Commerce and Development had a conference, not too long ago, at which the head of the research foundation gave some very interesting information. He claims that he can help businesses—not businesses so much as industries or small manufacturing operations—by giving them his help with new products, including how to develop new products, how the plant might give a better operation and so on. And he was saying that it was almost impossible for him to get the co-operation of these small manufacturing plants. He has to go after them to try to force on them the things that will help them improve their operations.

I thought at that time how important it is that these manufacturers take advantage of this help, yet they do not. I think the real reason they do not take advantage of this help is because they are running so close to the line at the present time that they cannot afford to even take the time off to get help. Their present climate of operation, their taxes, everything they are faced with, is on a day-to-day basis. They are in the position that if they do not work and use every bit of effort they can in order to keep going, they are going to be out of business.

Now, the big thing we want at the present time is to give help. But it has to be on the basis where we can give real service, and this Department of Economics can give real service. It can do all these things that we need.

But, of course, the big problem is this. We spend all this money to get this information, we give this information where it does the most good and then we find, because of the climate of the province, that more industries are going out of the province than are actually coming in, in spite of all the hard work we are doing in this direction.

The only thing I can suggest is that the hon. Provincial Treasurer reconsider this and that every effort be made to bring this department together so that it is correlated to the point where the most economical operation will be effected.

On vote 401.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, it seems it has been generally agreed this afternoon that The Department of Economics is one of research and I feel it has been agreed that it will be one of research in many fields if this is the intent we put upon it.

My question concerns the department, and I ask the hon. Provincial Treasurer: Has there been any research done on the application of the economics to the extension of the hospital insurance plan into a complete medical plan?

Why I ask this is because certainly the government realizes that modifications or a modified plan of medical coverage is inevitable, and that complete plan of medical coverage is inevitable either on a provincial basis or a federal basis. We have had, in the past couple of years, bills presented to the House calling for an extension of the hospital insurance plan in one form, and we have had bills calling for an extension in other forms.

One bill calls for an extension into complete medical coverage based on being operated by free enterprise, the existing companies, and another bill calling for a government-operated plan.

I would think that the department should be looking very thoroughly into the economic aspects of a complete medical plan, and I wondered if the hon. Provincial Treasurer would comment as to whether there has been any look at what might be the implications of this kind of plan.

Hon. Mr. Allan: Mr. Chairman, in reply to the hon. member's question, I may say that the matter he has referred to is being studied, and that there will be every opportunity for the greatest discussion by one of the committees of the House during the coming session.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, mention was made this afternoon, just in passing, about freight rates.

Now, I am quite concerned with this, and it affects not only the municipality from where I come but also the municipalities in southwestern Ontario and in the north. I do happen to know—having sat on an industrial

promotion commission for 4 years—that down in our district we made quite an extensive study of this, and we were joined by quite a few municipalities to present a request to the hon. federal Minister of Transport (Mr. Balcer).

I am wondering what this department is doing, or whether they have done anything, in regard to freight rates. I ask because, unless something is done to lower the freight rate in certain areas, the potential development of those areas is going to be killed. I do feel that this government should lend all the assistance possible to these municipalities when they are making their representations to the federal government for the lowering of the freight rates. I would like to know what this government has done in the past and what it intends to do.

Hon. Mr. Allan: Mr. Chairman, in reply to the hon. member's question, I think he knows that a presentation was made to the Royal commission on transportation, that the area was considered, and that everything was done to place the problem of the hon. member's area before the commission.

Mr. MacDonald: Mr. Chairman, I do not propose to get into the substance of what we have been discussing this afternoon. The hon. member for Woodbine made the essential points that our group wants to make: That this research is needed; that there should be more of it, but that it should be part of a planning agency. In this way I think we would avoid the kind of confusion that is obviously evident in the approach at the present time.

The reason that I rise is this: The House was once again this afternoon given a perfect example of how the facts can be twisted and misrepresented by a Liberal spokesman. The hon. member for Bruce got up—

Mr. Whicher: Be careful now.

Mr. MacDonald: The hon. member had better be careful. Now we will get them straight. The hon. member for Bruce got up and said that the camp committee of the united auto workers at Port Elgin had refused to accept deliveries from this local dairy because they were being delivered in a Volkswagen, which was an imported car.

Now, I just checked with one member of that committee because I seriously doubted the validity of his contention, notwithstanding the certainty of the hon. member for Bruce. I discovered the facts are these: They did say they would not accept delivery, but it was because he was driving the car of a

plant that had just smashed an effort to introduce a union here in Toronto.

An hon. member: What kind of car was that?

Mr. MacDonald: And furthermore I will say this to the hon. member for Bruce. The people like the hon. member for Woodbine and others who bought small cars like the Volkswagen 3 years ago will never buy Volkswagens again as long as they have union-smashing managements.

Mr. Whicher: Mr. Chairman, that is not right. Many of us in the House, as you know, do make mistakes and I think there are many of us, including myself, who are quite willing to admit it if a mistake has been made. The thing that worries me is that the only hon. member who never makes one, and who will never back water a bit, is the hon. member for York South.

The issue is as follows: This happened 2 years ago, long before Volkswagen had to smash any strike—

An hon. member: Oh, no.

Mr. Whicher: It did, Mr. Chairman.

Mr. Bryden: When did it happen?

Mr. Whicher: When did it happen?

An hon. member: It was an organizational effort that was broken—

Another hon. member: It was the hon. member's dairy.

Mr. Whicher: It was not my dairy. This happened before the Volkswagen people were involved in any strike-breaking whatsoever. This dairyman was told to change his truck, because it was foreign made. Those are the facts.

Mr. L. Troy (Nipissing): Mr. Chairman, certainly there is one thing we have found out this afternoon in this discussion. We know now what the CCF stands for. I think it is "compact car federation."

Seriously, every time there is a meeting in northern Ontario of the northeastern development association, much of the discussion centres on freight rates. I know that an economic survey either is to be made or is being made. Is that survey being made by The Department of Economics or The Department of Planning and Development? Also, is The Department of Economics giving care-

ful consideration to the possibilities of subsidies so that we can get the great expansion that the hon. Prime Minister of this province and other hon. members of his party speak of? We have an Ontario Northland Railway owned by the people, so will they seriously consider—if they have not already done so—the possibility of subsidies so that we can compete?

Vote 401 agreed to.

Hon. Mr. Frost: Mr. Chairman, I move that the committee rise and report certain resolutions, and ask leave to sit again.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions, and asks leave to sit again.

Report agreed to.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

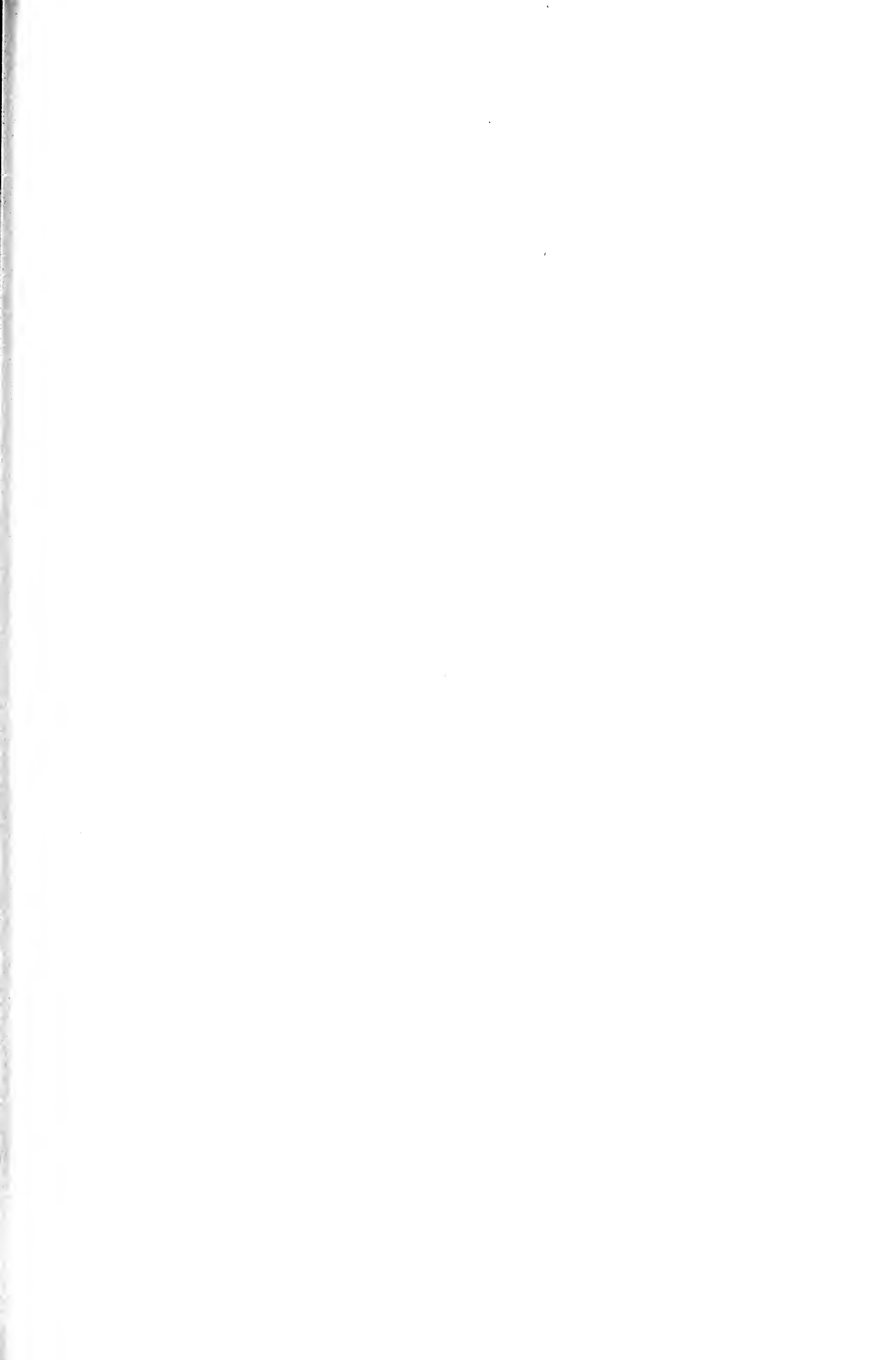
House in committee; Mr. W. E. Johnston in the chair.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, you might recognize that it is 6 o'clock. After we resume at 8 o'clock there are orders 4 to 16 that might be considered. Also we could give consideration to the 5 private bills. If we give Royal assent to them now it may be that, in view of having this session in the fall, there might be some amendments. It might be just as easy to give them Royal assent when the House reconvenes.

I do not think there is any reason why we could not put them through committee and perhaps hold them so that they could be referred back into committee if the necessity arose. After these are through we will turn to the Throne debate.

Mr. Chairman, I might suggest that tomorrow, I would like to deal with the estimates of The Department of Insurance first. Then we will continue with the Throne debate and on Thursday we are planning on having the estimates of The Department of Mines.

It being 6 of the clock, p.m., the House took recess.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, December 13, 1960
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 13, 1960

8 O'CLOCK P.M.

The House resumed.

THE ABSENTEES ACT

House in committee on Bill No. 2, An Act to amend The Absentees Act.

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, I move that Bill No. 2 be amended, and I would point out that the reason for this amendment, which I will be moving in relation to all these bills that are being passed through committee tonight, is in order to get them in a concise form for the statute when it does come out; and to avoid this problem that the consolidation of the statutes has created just at this particular time of the year.

I move that Bill No. 2 be amended:

- (1) by striking out part 1;
- (2) by striking out part 3, except the short title section;
- (3) by inserting a commencement section bringing the Act into force on January 1, 1961; and
- (4) by renumbering the sections and making such other editorial changes as are required to effect the purpose of the above.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, this procedure was devised to meet the unusual circumstance that this year they are revising the statutes, and the fact that we are having a session in the last portion of 1960. They have now devised another formula to avoid this.

Perhaps the hon. Attorney-General would give us the gist of these bills in each case; we can, then, adopt the formula which will revert us back to a normal bill effective January 1.

But what we would like to know is this: taking out all of these complications, what is the gist of this Absentees Act? If we get that, I think we can get it back on the track.

Hon. Mr. Roberts: Mr. Chairman, I think I can do that quite simply with all of them, if the bills are in front of the hon. members. Under part 2, what is now No. 2 becomes No. 1; that is, in this particular case, lands

in Ontario belonging to foreign absentees. I will read it:

Where a person who has had his usual place of residence or domicile out of Ontario, and who has an interest in land in Ontario, has been declared to be an absentee by a court of competent jurisdiction, the supreme court may, by order, upon being satisfied that the person has disappeared, that his whereabouts are unknown, and that there is no knowledge as to whether he is alive or dead, appoint a committee with such authority to manage, sell or otherwise deal with his interest in such land as, in the opinion of the court, is in his best interests and those of his family.

Then we strike out section 3 entirely of part 3; and what was section 4 now becomes 3; short title:

This Act may be cited as "The Absentees Amendment Act, 1960-1961."

Hon. Mr. Frost: Then the bill gets down to be a matter of just an ordinary bill, with one section, with the formal parts. I think the point we are concerned with is whether we are prepared to pass—actually, I suppose, it is contained in either section 1 or section 2—if we are prepared to pass that, then it becomes a normal bill.

Amendment agreed to.

Bill No. 2, as amended, reported.

THE CREDIT UNIONS ACT, 1953

House in committee on Bill No. 3, An Act to amend The Credit Unions Act, 1953.

Hon. Mr. Roberts: I make the same motion in respect to Bill No. 3, and the effect of that is that all of part 1 is now ignored. We go over to part 2, which is struck out as part 2, and we begin then with section 11 as section 1, and section 12 becomes section 2, section 13 becomes section 3, and all references to the revised statutes of Ontario, 1960, are deleted.

Section 14 becomes 4, section 15 becomes 5, section 16 becomes 6, section 17 becomes 7, section 18 becomes 8, section 19 becomes 9,

and section 20 becomes 10, and in all those cases the reference to the revised statutes of Ontario, 1960, is deleted.

Part 3 is eliminated except as to section 22 which now becomes section 11 and that is the short title. That becomes section 12. A new section, 11, commences. This Act comes into force on January 1, 1961.

Hon. Mr. Frost: Now, what is the meaning of this Act?

Hon. Mr. Roberts: We will go back to section 11, which defines an officer, and in section 2, which was section 12, which makes provision with respect to where capital is impaired. The effect of that is to preserve the position and to permit new capital to come in without having to answer for the debts that the old capital might be affected by. All of that, I think, was explained on second reading and in the committee on private bills.

Section 3, which was 13, has to do with the credit committee being set up to take the place of a supervisory committee, and to make clear that, when loans are being made to officers, they are independently reviewed and the officers themselves do not review them. Section 14 which now becomes section 4, again is just a change of name from registrar to supervisor.

Section 5 provides for the investments—allowing certain investments as already provided for in the Act under The Corporations Act—but makes it clear that these funds cannot be used for investments in mortgages except as security of mortgages to members of the union. I think that is the sum and substance of the bill.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I would like to ask the hon. Attorney-General if the credit unions are aware of these changes.

Hon. Mr. Roberts: These amendments throughout have received the approval of the legislative committee of the Ontario credit union league.

Mr. M. Belanger (Windsor-Sandwich): Is this bill reprinted before it is given third reading?

Hon. Mr. Roberts: Yes.

Bill No. 3, as amended, reported.

THE DEVOLUTION OF ESTATES ACT

House in committee on Bill No. 4, An Act to amend The Devolution of Estates Act.

Hon. Mr. Roberts: Again, Mr. Chairman, I make the same motion with respect to Bill No. 4, as I made with respect to the previous bills. The effect of this would be that in Bill No. 4, part I would be entirely deleted. Part II goes out and section 3 becomes section 1, deleting again reference to the revised statutes of Ontario, 1960. Section 4 becomes section 2, section 5 goes out, and a new section comes in as section 3.

This Act comes into force on January 1, 1961, and section 6, the short title, becomes section 4.

The gist of this bill is to make the first \$20,000, in the event of an intestacy, go to the husband or wife of the deceased, instead of the previous \$5,000 amount. That brings it in line with the recommendations of the uniformity commissioners for an Act of this sort throughout Canada, in all of the provinces of Canada—an Act which has been enacted in several of the provinces already, particularly in British Columbia.

Mr. J. J. Wintermeyer (Leader of the Opposition): Might I ask the hon. Attorney-General: why the \$5,000 to \$20,000? I understand he says it is to bring it in line with the uniform commission—the \$5,000 to \$20,000 would certainly be far more than the normal increase for inflation, in dollars. This is a substantial change in policy, is it not?

Hon. Mr. Roberts: I think that is so. The British Columbia Act has \$20,000; the Alberta Act has the same; and a number of other provinces have adopted it as a result of the recommendations. We are really following in line with that general recommendation.

Hon. Mr. Frost: I am very familiar with the history of this, for the reason that I, in Opposition, advocated it when Mr. Conant was the Attorney-General. Perhaps some of the hon. members opposite will recollect this.

At that time, The Devolution of Estates Act provided in the case of a wife, if there were children—if my recollection is correct—that she got a third and the children two-thirds. In the case of an intestacy, the wife got one-half and the other heirs got the other half.

Now, it seemed to be grossly unfair to the widow that she should be treated in that manner and, after a lot of deliberations—this would be at least 20 years ago—it was determined to give her the first \$5,000. That is where that \$5,000 came from.

I think, in those days, the legislators were pretty careful about the \$5,000—it might well

have been \$10,000. Why should not the husband or wife receive better treatment—say, \$5,000, plus a third or a half as the case may be?

If they fail to draw a will it would seem to me that this is reasonable.

In the case of a lot of the small estates of today, if the husband dies intestate leaving his wife, she gets the whole estate. As I say, they can alter that by drawing their own wills.

Mr. J. Gould (Bracondale): Mr. Chairman, does not the hon. Attorney-General think he is sacrificing too much for the sake of uniformity? What about this situation, if the \$20,000 were made applicable:

Suppose you have a widow with some 3 or 4 children. She remarries and then passes away. By this proposed legislation the second husband would get all of the \$20,000, and her children nothing. I would say that the greater number of estates are \$20,000 or under. Is this not sacrificing too much protection for the sake of uniformity?

Hon. Mr. Roberts: Well, I think the hon. member raised that in the committee on legal bills, and I think he was a minority of one at that time when several of his confreres were present.

Mr. Wintermeyer: I agreed fully with the explanation of the hon. Prime Minister, when he made it. But this point that the hon. member has just made is a fascinating one. Certainly that would not be the intent the hon. Prime Minister had.

Hon. Mr. Frost: She can avoid this by drawing up a will. As a matter of fact, she may have been married to the second husband for 30 or 40 years. You cannot determine everything. It is only a basis for what is a reasonable rule for the majority.

Hon. Mr. Roberts: It seems to me that if the husband had some question about the second marriage of his wife and wanted to protect the children, he would probably do it.

Bill No. 4, as amended, reported.

THE FIRE MARSHALS ACT

House in committee on Bill No. 5, An Act to amend The Fire Marshals Act.

Hon. Mr. Roberts: Mr. Chairman, here again I would make the same motion as in the previous bills that have been referred to.

In this case the effect would be that part 1 again would be deleted, part 2, as such, would be deleted and section 2 would now become section 1 with the deletion of any reference to the revised statutes of 1960. Section 3, part 3 would be deleted, section 3 would be deleted, with a new section 2.

Commencement: this Act comes into force on January 1, 1961, and section 4 becomes section 3, that is, the short title.

This is really a very routine Act. It merely makes provision for an appeal to the fire marshal from a routine order of any of his officers with the reason for the decision to be given in writing where required in the event of an appeal.

Bill No. 5, as amended, reported.

THE HOTEL FIRE SAFETY ACT

House in committee on Bill No. 6, An Act to amend The Hotel Fire Safety Act.

Hon. Mr. Roberts: Mr. Chairman, the same motion as in the previous case would be made. The effect would be to delete part 1, and the heading of part 2. Section 2 would become part 1 with deletion of the reference to the revised statutes of Ontario, 1960. Part 3 would be deleted except—that is, section 3 would be deleted of part 3; part 3 itself deleted and a new section formed.

Commencement: section 2. This Act comes into force on January 1, 1961, and section 4 becomes section 3, the short title.

The substance of this Act is again that the right of appeal to the fire marshal is provided for from routine orders from subordinate officers with reasons in writing as in the previous case.

Bill No. 6, as amended, reported.

THE LIGHTNING RODS ACT

House in committee on Bill No. 7, An Act to amend The Lightning Rods Act.

Hon. Mr. Roberts: Mr. Chairman, I again make the same motion as in the previous cases. The effect here would be: Part 1 would be deleted, section 2, part 2 is deleted, section 2 becomes section 1 with the deletion of any reference to the revised statutes of Ontario, 1960. Part 3 is deleted, particularly section 3 of it; and a new section formed: Commencement: section 2. This Act comes into force on January 1, 1961. Section 4 becomes section 3, the short title.

Here the effect in this Act is that an appeal may be made to the fire marshal from non-compliance, suspension and so forth, with the written reasons to be provided in the case of an appeal.

Bill No. 7, as amended, reported.

THE LAW SOCIETY ACT

House in committee on Bill No. 8, An Act to amend The Law Society Act.

Hon. Mr. Roberts: I make the same motion as in the previous cases, and the effect here would be:

Part 1 would be deleted; part 2 deleted and section 2 becomes section 1 with the deletion of the reference to the revised statutes of Ontario, 1960. Part 3 is deleted, particularly section 3 of it. Commencement: section 2. This Act comes into force on January 1, 1961, and section 4 becomes section 3; short title.

Here we have, under what was section 2 of part 2, and now becomes section 1, the pith and substance of the Act which is provision to stop orders on a member's bank accounts if the treasurer, secretary or deputy secretary of the law society, or chairman or vice-chairman of the discipline committee has reasonable cause to believe that a member of the society has been or may be guilty of misconduct in connection with any property in his possession or under his control.

This means that an application may be made, by any one of those persons, to a judge of the supreme court who may make an *ex parte* order freezing, or a stop order on, the use of the withdrawals or disposition of the property with the further provision that on further application the judge may make such order as he sees fit with respect to release of any part of the property.

Mr. R. M. Whicher (Bruce): I wonder if the hon. Attorney-General would say anything about the possibility of having lawyers bonded in the province of Ontario in connection with this bill.

Hon. Mr. Roberts: Well, of course, that is really extraneous to this matter.

Mr. Whicher: I agree with that, but—

Hon. Mr. Roberts: At the time the legal bills committee met, I did ask if there was any comment at that time. The hon. member was not present—nobody raised the question at that time.

Mr. Whicher: There are lawyers on it. That is the reason it was not brought up. I am not a member of the committee and I am not a lawyer.

Hon. Mr. Roberts: The hon. member could have had some of his confreres in the legal profession bring the matter up. But I do not think at this point I want to get into a discussion or debate on the subject, as it is one that could form the subject of a debate at some time. But this is the only particular bill in front of the House and these sections at the present time.

Mr. Whicher: I know that these bills are in many instances not too interesting but, as I understand it now, the lawyers in the province of Ontario are one of the few bodies of people who handle the public's money and who are not bonded.

When this bill came up in its first reading, I mentioned it and it was suggested I go to the legal bills committee—and of course I am not a member of that. I believe all the hon. members of the legal bills committee are lawyers, or practically all.

An hon. member: All the hon. members?

Mr. Whicher: Practically all, I said. Perhaps the hon. members have not familiarized themselves with this subject. We realize that, for example, real estate agents who handle sums of money—the public's money—

Hon. Mr. Roberts: Mr. Chairman, I have no objection to my hon. friend raising this point in some proper form, or in the Throne speech debate or something of that sort, but I am not prepared at the present time, on this type of procedure, to get into a debate on the merits of it. I might agree with him if he could make out a case, but certainly at this point we are not going to—

Hon. Mr. Frost: It is just a matter of debate, but perhaps there could be a little statement on the subject.

I think the problem is one that has been given the very greatest consideration by the law society. At the present time the law society is making a pretty substantial charge on each practising lawyer. I still pay my dues although I have not practiced for a long time.

I think the problem in bonding is that there are certain limits beyond which it is not possible to go without being completely exorbitant. Does the hon. member see what I mean? You might place a bond of, say, \$200,000, or something of the sort, on every

lawyer—it is a very difficult thing to assess what that bond ought to be.

In the meantime, the law society has itself set up this protective fund. I think for a number of years there have been no losses, as I understand it, until some bright lawyer, or otherwise, went into the second mortgage business and lost a lot of money. That is a very expensive matter for the legal profession.

I think the purpose of this Act is to attach funds to prevent them being used in any other way than for the proper creditors.

I would assure the hon. member that it is a matter that has been given very great consideration, and I think that the law society is taking, and has taken, steps to protect people. That is the whole policy of what is being done at the present time. The matter of a bond is easy to mention here, but hon. members will understand there are a number of lawyers in this House who are not practising, but are members of the profession.

The premiums on the bonds that would be necessary to cover these matters might be very high across the board, and it is perhaps more equitable and better to operate the way they are doing at the present time.

Mr. Whicher: Mr. Chairman, I wonder if I could ask the hon. Prime Minister—and I am very innocent about these matters, I am not even a country lawyer as the hon. Prime Minister is—how they handle it for real estate agents in the province of Ontario? I understand that they are bonded on the amount of business they did the preceding year.

Hon. Mr. Roberts: They do not have a society.

Mr. Whicher: Is that correct? I was asking the hon. Prime Minister why it could not be handled in the same way that real estate agents are bonded.

Hon. Mr. Roberts: Oh, well, the hon. member is away off on that one. I remember 2 or 3 years ago there was a tremendous loss on the part of some real estate firms here, and the amount of the bond did not amount to a drop in a bucket.

Mr. Whicher: I agree. But I also know of one client of a particular lawyer, in the province of Ontario, who lost \$5,000 and who did not get anything from the lawyer who absconded. I assure the hon. Attorney-General that \$5,000 is a great deal of money when that is all one has.

Hon. Mr. Frost: I do not think that was in recent years, though.

Mr. Whicher: That was about 10 years ago.

Hon. Mr. Frost: That matter has been remedied since that time.

Mr. V. M. Singer (York Centre): Mr. Chairman, there are two points that I want to mention. One leads from the remarks of the hon. Prime Minister, where he said there were a number of lawyers who really are not practising. I draw the attention of the hon. Attorney-General to the fact that there are a number of civil servants here who are lawyers, and need to be lawyers by reason of the job they are doing, but are not appearing in court and who are called upon by the law society to pay into these funds. I think it works a substantial hardship on these people.

They do not handle public money; they have no trust account; but they need to be lawyers because of the jobs they are doing. I think some provision could be made for these civil servants to alleviate this severe hardship.

Hon. Mr. Roberts: That is a matter which has been in front of the benchers and is, I think, at the present time under consideration by the benchers.

Mr. Singer: The other point I wanted to mention, Mr. Chairman—I mentioned it in the committee—is that the explanatory note is not too explanatory because it seems to indicate that the law society will be able to preserve assets. I suggest, again, that the word “attempt” should be put in there: “to attempt to preserve the assets.” This is only a helpful measure and a precautionary measure. It is certainly not going to be a positive measure.

In the explanatory note it says:

This provision is new. It will enable the society to preserve assets in the case of the lawyer absconding.

I do not think anyone is sure that it will enable the society to preserve the assets; it will enable them to do their best to preserve them.

Hon. Mr. Frost: We will agree upon that because the explanatory note is not carried into effect anyway.

Mr. Singer: Is it not carried as a marginal note to the statute?

Hon. Mr. Frost: No.

Bill No. 8, as amended, reported.

THE LIQUOR CONTROL ACT

House in committee on Bill No. 9, An Act to amend The Liquor Control Act.

Hon. Mr. Roberts: Mr. Chairman, I move that Bill No. 9 be amended:

- (1) by striking out part 1;
- (2) by striking out part 3, except for the short title section;
- (3) by inserting the commencement section bringing the Act into force on proclamation; and
- (4) by renumbering the sections and making such other editorial changes as are required to effect the purpose of the above.

If the hon. members have the bill in front of them they will see that the effect of that would be as follows:

First of all, part 1 of the bill would be completely deleted. Part 2 would be deleted and section 2 would become section 1, again with all references to the revised statutes of Ontario, 1960, deleted. Part 3 is deleted, particularly section 3 of it, and there will be a new section 2, commencement 2, reading:

This Act comes into force on a day to be named by the Lieutenant-Governor by his proclamation,

and finally section 4 becomes section 3.

Mr. Singer: I wish to repeat the objections I made to this bill in committee. I think the idea the hon. Attorney-General has is a good one, but I think maybe he is a bit premature. We have not as yet been advised that there are, as the press calls them, any "drunk farms" presently available. That is problem No. 1.

Problem No. 2 is that there is going to have to be a very substantial course of education for magistrates to enable them to recognize the sort of person who can benefit from this type of treatment.

There will have to be social workers available to study these people who are charged with offences like this under The Liquor Control Act and who will be able to be in a position, for instance, on a Monday morning at the city hall, here in Toronto, to say to the magistrate that case No. 1 warrants this type of treatment, and case No. 2 is just a fellow who was out on a binge over the weekend.

In other words, what I am saying, Mr. Chairman, is that until there is a training given to the magistrates to acquaint them with this, and the social workers' information

is made available to the magistrates, I think we are just adding a few sections here to the Act that are not going to mean a single thing.

The idea is a good one, and I commend the hon. Attorney-General for it, but he has to have these other things going along with it to make it effective. I think the whole thing should be brought in as a package.

Hon. Mr. Roberts: Mr. Chairman, I would say that those very things my hon. friend is advocating are proceeding at the present time, and any holding back, such as he suggests, would, I think tend to retard rather than progress the problem with which we are trying to come to grips.

I might say that at a meeting last Saturday, on the suggestion of magistrate Bartram, the magistrates' committee determined that, in view of the programme concerning alcoholics and alcoholism, already under way, a series of conferences of magistrates would be arranged to determine how best they could assist in implementing the programme.

So they are right in line with that at the present time.

For some time past, this subject has been before the magistrates by reason of remarks I have made to them and to other groups, and I feel that they are co-operating very heartily at the present time. Since the Act is not coming into effect until proclamation, the government will have an opportunity to determine when to proclaim it.

Further, there are a number of concurrent movements in connection with this problem going on at the present time. I have confidence that a great deal can be accomplished and that there is no danger of us lacking in the equipment and the training. The difficulty is that we have to go rather slowly and take this step by step when so many people are still not receiving the treatment they should be receiving.

I am sure the hon. member for York Centre would wish to have us get along with this as fast as we can if we are going to have the overall gain that we are hoping for.

Mr. Singer: I think, Mr. Chairman, the hon. Attorney-General is quite correct. I certainly would like to see as much progress made in this regard as possible. I am just trying to push him a little faster.

I would like to see some real programme initiated with the use of social workers. Monday mornings in the courtrooms, as the hon. Attorney-General knows—in the city hall

here in Toronto—present a pretty grim sight. The magistrate would have to be a super-human being to sort out these people who should get this type of treatment, as distinct from people who have just been off on a party for the weekend and deserve a small fine or a small punishment. These magistrates have to be given very substantial assistance to make this thing work properly.

Hon. Mr. Frost: I agree with that. I think that, at the moment, it is just impossible to say what type of institution we are going to require; how many cases there are. Some person who is not an alcoholic goes out and becomes intoxicated, and perhaps it is an isolated occasion. I do not think we need go to the expense of having farms in which to put those fellows.

But I think this is different from people who are suffering from an affliction.

I think, in 1960, to take a person who is an alcoholic—whom, in other days, we called an habitual drunkard—and put him in jail, in the ordinary cases, accomplishes nothing. The man is sick, and we ought to have some place to treat him. That is the purpose of this.

I think that the problem will be seen if I give this explanation. Supposing there is such a case up at Fort William. Unless there are some very unusual circumstances it would seem to be completely out of line to bring a person all the way from Fort William down to here. I imagine there will have to be places across the province, devoted to this sort of thing, where the problem can be properly assessed; and it is pretty difficult to do that, as the hon. Attorney-General says, without trying the thing out.

There has been talk, for instance, of acquiring an institution down here. The expense and the method of operating one would probably put it completely out of court. It would probably mean, in the end, having places throughout the province that are proper places, handy places, without the great expense of travelling, and the moving of officers about the province, before this thing could be developed.

I think that is possible. About the only way it can be started is to pass the legislation and then work on from there.

Mr. MacDonald: I think the advance in rehabilitation of alcoholics, which is represented in this bill, is one of the most encouraging developments in this field, and I would like to congratulate the hon. Minister for the steps he has taken.

Hon. Mr. Roberts: That is the second hon. Minister who has been congratulated.

Mr. MacDonald: I always congratulate the hon. Minister when he is entitled to it, or when I think he is entitled to it. My difficulty is that I find such rare occasions on which I can do this.

I was going to say, with reference to the comments of the hon. member for York Centre, that I think he has a point; though I would not necessarily be disposed to push it, because if we pass the bill we shall create the circumstances which will hasten the briefing of magistrates, the provision of facilities and so on.

However, that is not the real point I wanted to raise. There is one feature of this development which I think is very unfortunate. The hon. Attorney-General is not to blame—if he can forgive this brotherly love again—but I think that in the public mind it is going to undermine the objectives that we are seeking to fulfill. I am referring to the tab that has already been identified with this whole development—the practice of describing them as drunk farms.

Surely this bill, if it is going to be effective, requires a fundamentally different approach to the problem of the alcoholic. These people are not drunks; they are people who are ill, and therefore they require some kind of treatment and rehabilitation in the fashion that we are now doing, for example, in our mental institutions.

To call them drunk farms is the equivalent of calling people lunatics because they have some degree of mental illness.

It seems to me that this whole venture has started off somewhat unfortunately because of the tab in the public mind that it is a drunk farm. I suggest that that tab is in violation of the basic philosophy that the whole advance is seeking to implement.

I repeat my plea may be a futile one, but I am hoping we can get rid of that description as quickly as possible, because I think it is going to postpone the public accepting the kind of thing we are seeking to do here. And public support is going to be important for its ultimate success.

Mr. A. H. Cowling (High Park): Mr. Chairman, I would like to join the rest of the hon. members who spoke in congratulating the government on the introduction of this bill. As I see it, this Monday morning situation—the crowding of the courts and what-not—can be eliminated to a great degree by this legislation and the implementation of it. We can divide the people into two groups.

I think the habitual people, who are there Monday after Monday, get a short sentence of 30 days, and then they are back again—and on it goes.

Then the fellow who just goes off for the weekend, and finishes there, gets back on the track and is all set.

Our main concern has to do with the people who appear regularly in the courts.

I have had conversations with people here in Toronto, and they say that there is no particular problem. We can certainly reduce the congestion in the courts if we have suitable places to send these people who continue to appear.

Instead of having them in the hospital, or the farm, or whatever we are going to call it, for a period of 30 days, we should keep them there until we feel the job is complete, whether it is 30 days or 60 days or 6 months.

Keep them there. Do not send them out again, to go to the wine store and get into the courts again. Keep them on the farm. It is a great place for everybody; maybe we would all be much healthier if we were on the farm occasionally.

So, let us give some thought and consideration to increasing the sentences, when we have the right place to send the people, and in that way there will be no Monday morning congestion—because we will be dealing with the temperamental individual who ties one on over the weekend and then goes on about his business.

The hon. member for York Centre mentioned the social workers, and the need for social workers. I cannot agree with that, Mr. Chairman, because if we adopt this attitude and follow through on the bill—as I understand it, this is the way it is going to be—we will be putting these habitual people out on location and keeping them there—giving them the right treatment so that they can go back into society and do a good job. Therefore, we will not need the social workers at the city hall. We will have the social workers on the farm to help the man. Maybe that is a good place for some of them, too.

I do not disagree with this attitude about social workers. They have a very definite job to do. But the habitual individual is our problem and the reason this bill was brought about in the first place. We must get him off to one side and give him the treatment, care, education and the cure that he should have, and take time doing it.

Unfortunately, in metropolitan Toronto we probably have more of this type than we have

in other sections of the province, simply because there are more people here. Quite frankly, Mr. Chairman, I think if we have these farms adjacent to the really larger centres of population, at least for a starter, we are going to accomplish something.

Now, I would not like anybody to get the idea that all the alcoholics are in metropolitan Toronto. I would not give the House that impression because there are other locations. But this is a great big centre and people—transients and others who are, maybe, down on their luck—congregate in the large metropolitan areas. They visit the local wine stores and so it goes.

Those are the people we want to help, and those are the people, I think, we can help through the implementation of this bill and by following through the ideas that are suggested there. I think it is a very commendable piece of legislation.

Mr. Singer: Mr. Chairman, I would like to reply just briefly to the hon. member for High Park, and particularly his comments in regard to social workers. He knows, as I do—and I think most of us do—that on Monday morning in the magistrates' courts in Toronto there is a pretty heavy agenda for each magistrate.

I think it is asking a great deal of a magistrate to look at a man in the dock from behind his bench; a man who may be unshaven or looking a little unhealthy that particular morning. It may be the first time this chap has happened to run foul of a policeman on a Saturday night, but his disease may be every bit as serious as someone who has a long record.

If we are going to do the job properly, there should be facilities available so that the magistrate can be advised by a trained person, by a social worker, on the sort of person who is coming before him and the sort of problem he has to face. And with proper training and proper facilities and personnel, this can be made to work.

Hon. Mr. Roberts: I wonder if the hon. member is aware of the fact that the alcoholic research foundation is engaged on that very work now. The staff, including several social workers, are in touch with the senior magistrate here and working on a pilot scheme at the present time. But what we are envisaging in this bill is a much broader and larger approach to the subject.

Mr. Singer: Oh, I am aware of that, and I think that the hon. Attorney-General is making some progress. What he is doing and the direction in which he is pointing are good.

But I was rising to take issue with the hon. member for High Park because I think much help is needed for the magistrates in order to enable them to make as good a decision as is possible.

Mr. Gould: I wonder whether the hon. Prime Minister and the hon. member for High Park are fully aware that this government's new plan for the treatment of alcoholics includes a plan for sending first offenders to an institution for the treatment of alcoholics. Under Bill No. 9, as it now stands, first offenders for drunkenness can and may be used as guinea pigs in the testing and treatment of alcoholics. By this piece of legislation, the courts in Ontario are given power to order first offenders detained in an institution set up for the reclamation of alcoholics. If that is not the intention of this government, then this legislation should be amended immediately, for it makes no distinction between a first offender and a repeater.

Hon. Mr. Frost: On this point made by the hon. member, a man may be up for the first time, but he may be an habitual—

Mr. Gould: Well, how is the magistrate to determine that? At the present time, we have section 79 which is in existence and section 104(7) which prescribes the penalty. As the law in Ontario now stands, under the Ontario Liquor Control Act, a man convicted of being drunk in a public place can be fined from \$10 to \$50, for a first offender, with no term of imprisonment. For a second offence he can be fined from \$50 to \$100, no term of imprisonment. For a third and subsequent offence he can be imprisoned, no fine, but imprisoned, up to 6 months. That is the law as it exists at this very moment.

But let us turn to the proposed legislation, Bill No. 9. What does this say? This is what it says:

Every person who contravenes subsection 2 of section 79 is guilty of an offence and, (a) is liable to a fine of not more than \$50 or to imprisonment for a term of not more than 30 days in the common jail or to both.

So we have a change now, Mr. Chairman. For a first offence or for any offence, a man can be fined up to \$50 or sent to prison for 30 days or both fined and imprisoned. So the new section, as far as a first offender is concerned, is more onerous now in that he can be sent to jail.

Hon. Mr. Roberts: Does the hon. member want to move that we delete the words "or to both"? I did indicate in committee that I had no objection to those words being deleted.

Mr. Gould: No, I have no strong objections to that, for the moment, but permit me to go further. "Or", and this is the alternative, this is the power that is given by this proposed legislation to magistrates:

—or may be detained for a term of not more than 30 days in an institution for the reformation of alcoholics that is designated for the purpose by the Lieutenant-Governor in council.

This means that if we enact this as legislation, a magistrate in an Ontario court will have the power to sentence a first offender up to 30 days in an institution. This makes no distinction between a first offender and a repeater. Now, is this really what was intended to be done as the work of the alcoholism research foundation? I read from its latest annual report, December 31, 1959, page 13, and it says, under the heading of public drunkenness:

The other development which presents an opportunity to learn more about a large group emerges from the recent interest of the government in doing something about chronic drunkenness offenders. Here we do not get half estimates of the proportion of cases which are, in fact, alcoholics. The foundation's presents facts have helped acquire the kind of treatment which we need to handle the kind of alcoholics we have treated.

However, it seems most unlikely that those going through the courts on repeated drunkenness charges are, on an average, the same general sort of person as those who have been coming to our clinics. It is, therefore, most gratifying that the government has asked us to provide plans for establishment and operation of two special receiving centres in which a representative sample of cases from the courts may be examined.

Note that this reports speaks of chronic drunkenness.

In the speech from the Throne, there is a paragraph which deals with this matter, and I will repeat it by my reading of it:

The department of the Attorney-General has been undertaking an intensive study with a view to placing into operation a new system of dealing with repeaters before the courts for drunkenness, recognizing that this weakness is more deserving of treatment and cure than penal service. Arrangements are being made with certain magistrates' courts, and appropriate legislation will be introduced.

It will be noted that the government speaks of repeaters.

Nowhere do I see in this legislation a distinction between a first offender and a repeater. I now remind the hon. Attorney-General of what he said in the committee last week. It appears in the *Toronto Globe and Mail* as follows:

"The bill is designed to get the province's new approach stated," said Mr. Roberts. He said: "Drunkenness repeaters already are being examined after appearing at one of Toronto's courts. The purpose of the bill," said Mr. Roberts, "is to make it possible to change the current practice of sending repeaters to jail for long periods when the only violation of the law was drunkenness. People in that unfortunate situation should be treated where possible rather than sent to jail."

Note that he speaks of repeaters. My submission is that if this legislation is designed for the treatment of repeaters, then let it so say. Here we are arming the courts with a weapon, with the power to imprison or detain a first offender. Many thousands of people travel through our courts. As a matter of fact, in the last 10 years in Ontario there were over 400,000 people who were convicted of plain drunkenness—not impaired or drunk driving but just plain drunkenness—and there could be an occasion where innocently or otherwise a first offender may be ordered detained in an institution for alcoholics.

This is unfair. I, therefore, reiterate that first offenders should not be made subject to imprisonment and should not be made subject to detention and treatment at one of Ontario's drunk farms. So, Mr. Chairman, if I may be permitted, I now move an amendment to Bill No. 9 to the following effect:

That subsection 1 of part 1 and subsection 2 of part 2 be amended as follows:

Every one who contravenes subsection 2 of section 79 is guilty of an offence and for a first offence he is liable to a fine of not more than \$50 and, in default of payment, to imprisonment of not more than 3 days in the common jail, and for a second or subsequent offence—

now comes Bill No. 9—

(a) he is liable to a fine of not more than \$50 or to imprisonment for a term of not more than 3 days in a common jail or to both. Or (b) he may be detained for a term of not more than 3 days in an institution for the reformation of alcoholics, as designed for the purpose by the Lieutenant-Governor in council. Or (c), he may be

detained for an indeterminate term of not more than 90 days in an institution mentioned in clause (b) if he signs a pledge agreeing and consenting to remain therein for such period of time, not exceeding 90 days, as, in the opinion of the superintendent of the institution, is required for his reformation, and to abide safely by all the rules and regulations so long as he is an inmate thereof.

Hon. Mr. Roberts: I would be glad to give it consideration.

As I understood it, the hon. member is really making provision for a first offence, and then all the rest of these provisions would apply to a second or subsequent offence.

I would like to take it under consideration and would defer any decision on it until I have had a chance to discuss it with my officials. There has been a lot of reasoning behind this particular wording which the hon. member has come up with and I would like to see whether we can reconcile our thinking with that.

One reason against it that immediately strikes me is the fact that we were attempting to get into a position where a person might never have anything registered against him in the way of a conviction at all. If we do what my hon. friend is now suggesting, it would only be second offenders who would be dealt with. However, I will be very glad to give this careful consideration before the third reading is called, and I would ask therefore, that this particular bill be deferred for the time being.

Mr. A. E. Thompson (Dovercourt): I am content with that, Mr. Chairman.

I would just like to make very brief remarks with respect to this, because I would like to congratulate the hon. Attorney-General on this. I think that it is a very worthwhile move. When we look at the stream of humanity that goes through the courts, we should try to do something more with the people who have the sickness of alcoholism than just throw them in the jail.

At the last session I advocated that there should be presentence reports by probation officers for far more people coming up before the magistrates than there are now. I think this is essential.

I am concerned about statements made by the hon. member for High Park. In my

opinion, he lacks knowledge of modern penology, in that he thinks that because one looks at some prisoner in the morning, one is able to assess whether he should go to the farm for a while or not.

I think we are advancing on a more scientific basis, and I would suggest to the hon. Attorney-General that he look at California, for example, where they have a pre-screening clinic for people going through the court, so that there is some scientific background. This should be something that this jurisdiction should be considering. I emphasize—

Hon. Mr. Roberts: I might say that I sent Mr. Frank Wilson out to Banff to meet with those people from all the states as well as the provinces, and he had the benefit of getting an exchange of views with the people from California.

Mr. Thompson: I will be looking forward, sir, to seeing the implementation of some of the effective things they have been doing in California.

My other concern about this is with respect to this farm. Maybe I am just thinking again about what the hon. member for High Park said—that it is good for alcoholics to be out on the farm for a while.

I appreciate the many agricultural hon. members here, but I hope that at the farm institution there is something a bit more remedial than just a farm. I would hope that there would be qualified staff there and that there would be therapeutic work given to the people.

I do not know whether, as yet, this government have the staff. If they are searching for qualified staff, I must say that if they follow through with the same approach and the same salaries that are paid to the staff at the metropolitan jail, I would think that the government would be very lucky if they got even the lowest-paid farm help to apply. They will have the same difficulty which the hon. Minister of Public Works (Mr. Connell) has in getting help.

Now, to re-emphasize, I agree completely with what the hon. member for York Centre has said, and I also suggest that the institution should not be just for farm work. The hon. Attorney-General is going to have to use a psychiatric and a social work approach with the unfortunate people who have to go there. Then we will have statistics which will show that people are being reformed and not just hidden away when they go to these institutions.

Hon. Mr. Frost: Mr. Chairman, I think that this bill, now being considered in committee, is going to be referred back. But I do make this suggestion. I listened to what the hon. member said in relation to a first offence. I think his point is that if some person gets off on a binge and appears in court, he could be sent to jail for 30 days. That is the hon. member's point, and that could be a very great injustice.

To work this out, I do not think this amendment is the answer to it because a person may be an addict with a first offence. I think perhaps words could be put in there to say that if the magistrate has reason to believe this person is, on evidence, an alcohol addict, then he can do these things. But I would be inclined to excuse the first offender; the fellow who perhaps does not realize what he is doing and gets off the track.

I make the suggestion, sir, that this bill be held over, and that it be given consideration later.

Mr. J. Trotter (Parkdale): Mr. Chairman, can I just say a few words? Seeing that the bill is going back to have more thought, I would like to say this: We have heard that the expression used is that a person is "sick" who drinks too much. The unfortunate part about it is that, even if a person has been out on a binge only one day, and is convicted he has that mark against him for the rest of his life. This is one place where it could be put into a bill that such an offence would not be in the form of a record of crime.

I have suggested this on one other occasion to the hon. Attorney-General. But I suggest something be done in order that people convicted of offences under this Act be treated in such a way that it is not a crime.

Hon. Mr. Roberts: I have said on several occasions that I hoped we would eventually reach the position where that would be the case. Drunkenness, without anything else accompanying it, in many jurisdictions is not a crime. But I think we have got to feel our way. I do not think, at the moment that we have reached a point where we can go that far.

Mr. Singer: Mr. Chairman, before this bill does go back I would like to put out just one more thought.

Since there is an approach being made to this problem, I think it is important enough to be embodied in a separate piece of legislation, because there is more to it than just these two sections to be added to The

Liquor Control Act. I commend that seriously to the hon. Attorney-General's attention. The idea of my hon. friend from Dovercourt is to have a separate Act dealing with this and supplementary phases. The ideas of other hon. members have been put across. I just wanted to address one remark to the hon. member for High Park: he has not read the legislation too closely, because there is no mention of the word "farm" here at all. The words that the draughtsmen put in are "an institution for the reclamation of alcoholics."

Bill No. 9 held.

THE TRUSTEE ACT

House in committee on Bill No. 11, An Act to amend The Trustee Act.

Hon. Mr. Roberts: Mr. Chairman, I move that Bill No. 11 be amended:

- (1) by striking out part I;
- (2) by striking out part III except the short title section;
- (3) by inserting a commencement section bringing the Act into force on January 1, 1961; and
- (4) by renumbering the sections and making such other editorial changes as are required to effect the purpose of the above.

That is a similar motion to the one that I have made several times previously tonight.

In giving effect to those amendments, part I will be struck out entirely; Part II the heading struck out and section 2 now becomes section 1 with again all references to the revised statutes of Ontario, 1960, struck out. Part III, the heading, is struck out. Section 3 of part III is struck out and section 4 becomes section 3—that is the short title.

This bill provides that a judge of the supreme court may make an appointment under subsection 3 before the period of 6 months therein has expired if he is of the opinion that a right of action of the person wronged would otherwise be prejudiced.

Bill No. 11 reported.

MONTREAL TRUST COMPANY

House in committee on Bill No. Pr6, An Act respecting Montreal Trust Company.

Sections 1 to 10, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr6 reported.

ENO-SCOTT AND BOWNE (BRAZIL) LIMITED

House in committee on Bill No. Pr11, An Act respecting Eno-Scott and Bowne (Brazil) Limited.

Sections 1 to 6, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr11 reported.

PICKERING COLLEGE

House in committee on Bill No. Pr23, An Act respecting Pickering College.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr23 reported.

Hon. Mr. Frost moves that the committee rise and report certain bills with amendments, certain bills without amendment, and a certain bill held for further consideration, and ask leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills with amendments, certain bills without amendments, and a certain bill held for further consideration, and asks leave to sit again.

Report agreed to.

The House resumed; Mr. Speaker in the chair.

BOUNDARIES OF ALGONQUIN PROVINCIAL PARK

Hon. J. W. Spooner moves second reading of Bill No. 18, "An Act to extend the boundaries of Algonquin provincial park."

Mr. L. Troy (Nipissing): May I ask a question? Does that open up hunting only in the two townships referred to?

Hon. L. M. Frost (Prime Minister): That is correct. I would say to the hon. member that I am very familiar with the townships in question; the townships of Bruton and Clyde—two very beautiful townships on the western side of Haliburton county. They are entirely bush townships, with no residents whatever, except in the area of one of the lakes on the south end.

There have not been any sales of land in these townships for a number of years. They have been withdrawn from staking, and they

are townships which ought eventually to go into the park.

The difficulty is this: If they go into the park, all of the timber rights are preserved as they are now. These should always be townships reserved for the people, and reserved as timber areas. They have been set aside now—I think designated as parkland.

But of course the question of administration comes up. If they go into the park without any strings attached, then we will be putting out certain trappers where they now have controlled trapping.

The department, over the years, has been controlling hunting by allowing only so many hunting camps in the area. This enables that to continue, and I think it is a very wise step to see that that principle is carried out in the other bill which will come up in a moment.

In connection with Bruton and Clyde, I think, what we are doing is altogether desirable.

Motion agreed to; second reading of the bill.

THE PROVINCIAL PARKS ACT

Hon. Mr. Spooner moves second reading of Bill No. 19, "An Act to amend The Provincial Parks Act."

He said: Mr. Speaker, I might explain this again, although I have already done so on first reading. The same principle which applies to the two townships which we are adding to Algonquin Park—the principle of permitting hunting in certain provincial parks—also applies in this Act.

There is another provision which provides for the disposal of property which is lost, mislaid or abandoned in our parks. A system of disposing of such articles is being developed similar to the system in use in municipalities where goods are found on the streets.

Then there is another section which provides prohibition against travel on closed roads where these are properly signed, or notices either in the form of signs or in the form of barricades placed on these roads.

Mr. Troy: May I ask the hon. Minister a question? Does that mean that those sections of the Temagami reserve, which are now preserves, may be opened up for hunting?

Hon. J. W. Spooner (Minister of Lands and Forests): That is a different situation. That is set aside as a game preserve. This legislation deals with permitting hunting in provincial parks that are set up under The

Provincial Parks Act. That is a different thing entirely.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, I may say in going to the next order, that I gave an undertaking last night that we would adjourn at 10 o'clock. I intend to adhere to that. I want the hon. members to know that. There will be no night session tomorrow night.

SPEECH FROM THE THRONE

Mr. J. H. White (London South): Mr. Speaker, you may have wondered why it was necessary for me to adjourn the debate 4 or 5 times in the last couple of weeks. I say this because my hon. colleagues in the House have queried me on the subject, and I thought a short explanation might be in order, if I may depart from custom for a moment or two.

The fact is that, a few months ago a friend of mine in London, who happens to be sitting in the gallery now, suggested that I specialize in some restricted phase of legislative activity. I looked at various types of legislative activity with this in mind. I looked at the hog marketing programme, then realized there were 50 or 60 experts in the House already, almost all of them from urban ridings—like the hon. member for York South (Mr. MacDonald).

And I looked into the matter of specializing in vice but, of course, the hon. member for York Centre (Mr. Singer) has made this his specialty. So, I looked into the matter of specializing in liquor legislation, but I found the hon. member for Sudbury (Mr. Sopha) had already monopolized that field.

As a matter of fact, as I worked my way through, the only specialty that had not been taken was the adjournment of the debate on the amendment to the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor (Mr. Mackay) at the opening of the session. So I decided to specialize in that. And specialize I have, with the help of the hon. Whip, so that, now, I think I can lay claim to having adjourned the debate more times consecutively than any other hon. member in recent years.

Nor has this particular phase of activity limited scope, because next year, with any luck, I hope to adjourn the amendment to the motion for an address, et cetera. The following year, I hope to move the address. Who knows, following that, I may second it

and eventually I may move it, and at that rate of progress, Mr. Speaker, it will only be 6 years before I read the speech itself.

The hon. Prime Minister was good enough, a few days ago, to legitimize the hon. member for Nickel Belt (Mr. Belisle) by bringing his speech on ahead. So, I am puzzled when I draw the attention of the House to a report on my speech which appeared in the local paper on December 3. If the hon. Prime Minister can legitimize me, I hope he will do so.

The moral of the story, Mr. Speaker, would seem to be: you press your luck if you press release.

Mr. Speaker, permit me to congratulate you, sir, on the dignity and order which you bring to this House. Let me thank you for the many courtesies and great co-operation extended to me over the last year by yourself and the members of your staff, and let me wish you, finally, every success in the years to come.

I should like to congratulate the 3 new hon. cabinet Ministers—all of them a credit to our party, all of them a credit to the people of this province.

I would be remiss if I did not single out one hon. gentleman who is a neighbour as well as a friend. I refer to the hon. Minister without Portfolio who comes from the riding of Middlesex North (Mr. Stewart). This hon. gentleman is beloved in his riding, as the returns have shown not once but twice. He is an outstanding member of his church. He is an outstanding farmer in this province, recognized as such by his fellows, honoured as such in a number of positions of trust in agricultural societies.

So I speak for the people of my riding, and the people of the London area, in wishing him further success from now on.

I would like to congratulate the hon. member for Huron (Mr. MacNaughton) on his appointment as commissioner of the Ontario water resources commission, and the hon. member for Carleton (Mr. W. E. Johnston) on his election as Deputy Speaker of this House.

I also congratulate the new hon. member for Temiskaming (Mr. Hoffman) and the new hon. member for Simcoe Centre (Mr. Evans)—and I did enjoy the speech given by this new hon. member in seconding the motion in the Throne debate. I also enjoyed the speech given by the hon. member for Lanark (Mr. Gomme) notwithstanding certain rather snide remarks made by the hon. CCF leader (Mr. MacDonald) sitting down in front of me here.

The speech was very good, and I join with the hon. member for Lanark in endorsing the Throne speech which thrilled us so at the beginning of this session. I endorse, as he did, the 15-point programme that this government brought forth for the greater economic government and the additional progress of "old man Ontario."

As a businessman, let me say one or two things about the new Department of Commerce and Development. This makes good sense. The Opposition is consistent only in its inconsistencies.

I have a suggestion for the hon. Minister of that department (Mr. Allan)—and make it with tongue only partly in cheek—that is that the trade commissioner from this province, and trade commissioners from other governments in the country, be put on a commission basis. I would like to see them on an incentive basis. I find it does great things for the men in my employ. A little commission gets them up early in the morning, keeps them working through the day, and increases sales right across the board.

I was originally scheduled to follow the Liberal hon. member for Sudbury so I made one or two notes during his speech in the Throne debate. Hon. members will recall he bragged about the prosperity and capital expansion in his riding; and, in this, he joins the hon. member for Fort William (Mr. Chapple) in paying credit to our hon. Prime Minister (Mr. Frost) and to our government. I expected him to second the motion that the Liberal hon. member for Fort William made that the hon. Prime Minister of this province would be the Prime Minister for many years to come.

The hon. member for Sudbury rose in his place, like a toad laughing at lightning. The reason became clear, after the first hour or so, when he said something about everything about which he knew anything. That fact was proved when in the second and third hour he spoke about many things about which he knew nothing.

One thing he forgot to say—I think this is a new scoop—but I will give it to all the newspapers indiscriminately. He forgot to tell you, Mr. Speaker, that there was a debate at Hart house at the University of Toronto, earlier this month; he forgot to tell us that this debate was on a vote of confidence in the government of this province.

He forgot to tell us that a prominent Liberal hon. provincial member was speaking in favour of the motion that Ontario needed a new government; he forgot to tell us that he himself, the hon. member for Sudbury,

was this speaker; and he forgot to tell us—and this I think was a very grave oversight—that that motion was lost, and that the university students at Hart house gave a substantial vote of confidence to the government of the province of Ontario.

Mr. A. E. Thompson (Dovercourt): Is he aware that, since that time, the university of Toronto students voted in a Liberal government?

Mr. White: I can hardly accept that without confirmation. I think that report must be grossly exaggerated.

I remember when I was in the navy at the age of 18, I voted for the federal government, and I have thought since that 18 was much too young for a man to be given a vote. Now, I find that the young men and women at the university of Toronto have endorsed the present government of Ontario, and I must confess that I am forced to reconsider my opinion.

It may be the resounding defeat which they handed the hon. member for Sudbury shows a growth in maturity that warrants further consideration.

A week or so ago, I was at a dinner party in London. It was a Bonds-for-Israel drive. The guest speaker was George Jessel the famous entertainer, known to all hon. members. He gave an amusing and informative talk, after which a local London businessman stood up and told us about his recent trip to the Holy Land.

He told us they were growing orchards and wonderful vineyards where nothing had grown before, by irrigating the land. He told us that there were wonderful orchards where there had been only sand before; that there were wonderful apple trees in the Holy Land now, and there had never been an apple in the Holy Land before.

As he said that, George Jessel rose from his seat and said, "Don't tell me that Adam ate a pickle."

This speaker may have been carried away a little bit, Mr. Speaker, and I suggest that the hon. gentlemen of both political parties sitting to my right are getting carried away more and more in the heat of partisan battle. I suggest to them that they sit back and think about some of these things before they speak. I say this because, Mr. Speaker, while you were out of the House earlier today, we found that one of the Liberal hon. members got up and criticized the government for the large amount of money being spent by The Department of Economics,

immediately after his hon. leader (Mr. Wintermeyer) had suggested that The Department of Economics should be spending more money.

We heard an hon. member from the same group stand up and criticize the department because it did not have a Minister of its own, not long after an hon. senior member of that party had stood up and said, in sarcastic terms: "I suppose this is to make room for another cabinet Minister." So we have 4 hon. members in that one group and 4 points of view.

An hon. member: They are not as bright as the hon. member is.

Mr. J. J. Wintermeyer (Leader of the Opposition): Did the hon. member agree or disagree?

Mr. White: Mr. Speaker, referring once more to the speech given by the hon. member for Sudbury, I must confess that on at least one occasion, I noticed my toes were tingling and I thought of course that he had thrilled me to the tips of those toes. Then I realized that my foot had gone to sleep. I said my foot and not my head. So much the worse for me. The hon. member for Sudbury—

Mr. D. C. MacDonald (York South): He is trying to compete with George Jessel, but it is a poor effort.

Mr. White: I will not try to compete with my hon. friend from York South.

Interjections by hon. members.

Mr. White: The hon. member for Sudbury, the House will recall, brought forth a subject which he dealt with at length. He told us in detail how he was invited to a council meeting in his riding and how the councilmen said to him: "Mr. Member, how do we get a road to Killarney?"

And he told them how. He told them how to word the resolution and how to make the request to the government, and he described now how the work was progressing.

The interesting fact, Mr. Speaker—and one that we should note with care—is that it did not occur to that hon. member or to the council, or to this House, or to any of the reporters, or to any of the spectators, or any of the people in this province, that the way to get the road to Killarney was to vote Tory, because that is not the way the government of this province works. I draw your attention and the attention of the people of this province to this noteworthy fact.

Interjections by hon. members.

Mr. White: I was happy, indeed, to be elected the chairman of the conservation committee. This is an important new committee; it is doubly important this year because of the added interest shown in the subject by the provincial and federal governments. I am hoping that the committee will find it possible to tour the upper Thames valley conservation authority. It is one of the largest such authorities in this province, one of the furthest developed, and one on which something like \$10 million is going to be spent in the next few years.

May I also invite suggestions from the hon. members of this House who may not be members of that committee. We are going to try to break a little new ground. Frankly, I will not be content to have a succession of experts tell us how much they have accomplished. I am most hopeful we can get constructive suggestions from the hon. members of this House, and from interested parties across the province.

I hope that we will make some representations to the national conservation conference, and that we may be able to suggest some way of co-ordinating the federal and provincial programmes.

Mr. Speaker, I would like to congratulate my colleague, the hon. Minister of Education (Mr. Robarts), on the great work which he is doing in the field of education, and the progress that he is making under the handicap of public apathy in the field of technological education and training for our young people.

As we know, the provincial government has set up 5 of these technological institutes since the war. As announced earlier this week, they are spending substantial sums of money. Quite frankly, the success of the programme will depend not so much on the hon. Minister or staff as it will depend on the attitude of the people in this province. And I say with all sincerity, the hon. members of this House should make it a point to encourage the young people of the province to get more and more education, rather than having them seduced by relatively well-paying jobs early in their careers.

If hon. members could do that, then I think they would be making a contribution to this province that would be of great consequence to us before many decades have passed.

Interjections by hon. members.

Mr. White: The hon. leader of the Opposition a little while ago, in his speech on the Throne debate, paid considerable attention to this point, and I was in accord with some of the things he said. But, sir, he disregarded, and brushed off as somewhat inconsequential, the fact that 20 per cent of the unemployed are between the ages of 45 and 60. I think he gave that large group one sentence in his very long speech.

I say to you, sir, that the older workers who are less mobile, the older workers who have considerably higher expenses, who have established places in the community, deserve a great deal of attention from this Legislature. The government of this province could set the pace.

Interjections by hon. members.

Mr. White: Mr. Speaker, as you know, and as the hon. members of this House know in their hearts, the province is employing a fairly high percentage of older workers. We see it happening in the London area and I am sure it is happening elsewhere.

Interjections by hon. members.

Mr. White: If these hon. members have so many good suggestions, why do they not give them when it is their turn?

I have a suggestion to which hon. members of the Opposition would be well advised to listen. I suggest that the government ascertain what percentage of our working force lies in the older age groups—including those who may be unemployed at the moment—and that they set about, as a deliberate matter of policy, to make sure that the percentage of those older workers employed by the government exceeds the average in that age group throughout the province.

I suggest, further, that they undertake a public relations campaign, with the important industries in this province, to persuade them and convince them to do the same.

I am quite aware that portable pensions enter into this and there are many other complexities. I do believe that the Ontario government should show the way by employing a fixed minimum percentage of older workers.

Mr. Speaker, I have given great thought to the problem of winter unemployment. I started thinking about this problem 3 or 4 years ago; not as a member, but as a businessman in the city of London. After giving the matter quite a lot of thought, after scrutinizing and rejecting a number of my ideas, I came up with a tentative solution which I put in the form of writing during my

holidays this summer, and which I have since tested with leading accountants, mathematicians, parliamentarians and businessmen. I asked many questions. And I convinced myself, sir, that this solution would work.

As one who majored in economics in university, I say to you that this can work. As one who did graduate work in business administration, I say that it will work. And as one who has spent his lifetime since graduation as a corporate businessman, I say to you, sir, that it must work.

If the Canadian body politic is to survive intact, the modern diseases of seasonal and cyclical unemployment must be cured, and cured quickly. These periodic plagues which have so debilitated the patient in the past, are attacking its economic health once again. And once again, both business and political specialists grouped opposite in bedside consultation, nod knowingly and prescribe simple analgesics, at best giving the patient temporary relief.

I suggest that pain killers are not enough; that the diseases are far too malignant and far too developed; that a prompt and effective prescription must be written at once if we are to escape the searing surgery of socialism.

Cyclical unemployment, with all its modern international complications, does not permit the prescription of a short and easy solution, and none will be attempted here, although a solution does exist and must be found.

Seasonal unemployment, much more national in nature, is curable right here in Canada, right now, in the winter of 1960. I will repeat that for the benefit of the hon. member for Woodbine (Mr. Bryden) who has so much to say and has given so little constructive thought to the problem of winter unemployment. Seasonal unemployment, much more national in nature, is curable right here in Canada, right now, in the winter of 1960. Standing foremost in the way of the cure is the deep-seated archaic belief of the inevitability of winter unemployment.

Interjection by Mr. MacDonald.

Mr. White: Now that the hon. member has come back on the scene, I will mention an article I read a week ago, in which his newly found New Party messiah, the federal hon. member for Peterborough (Mr. Pitman), was quoted as saying that the CCF party was extending solutions designed in the 1930s for the 1960s. That is what they are saying now. Get up to date my hon. friends. Mr. Pitman will be shorthanded, if you will excuse the play on words.

Winter unemployment has assumed the

stature of a national tradition and has so dulled our imagination, so blunted our initiative that we are paralyzed into inaction, none more paralyzed, Mr. Speaker, than the hon. Opposition members in this House.

The time has come to recognize the fact that the winter increase in unemployment is not inevitable; the time has come to act upon this fact. Stated in its simplest terms, for the benefit of the hon. member for York South the cure for winter unemployment is decreased production costs during the winter months.

How, then, can we lower these costs? I have suggested to union leaders that they establish a winter wage differential. But this idea has been summarily dismissed as impossible for them to sponsor, because of internal union politics. Some companies have reduced prices during winter months in an effort to generate new business and greater volume, but the effect is infinitesimal on the economy as a whole.

After long and serious thought I am forced to conclude that only the federal government with its enormous powers to tax, or not to tax, can lower production costs during the long Canadian winter.

This is not to say that municipal and provincial governments should do nothing. Public works programmes can and should be undertaken in winter, because these projects are necessary in themselves and because they do give employment where employment is most needed.

I do, however, subscribe wholeheartedly to the statement, made before in this House, that "make-work" projects, as such, are wasteful and harmful. Municipal and provincial governments, like business and labour, simply have not the power to cure winter unemployment this year and every year.

Ottawa must establish a corporate income tax differential to lower winter production costs, to increase winter production, to increase winter employment and to banish forever the crippling attacks of winter unemployment.

I suggest that the federal government decrease corporation taxes from December 1 to March 31 by 5 per cent. It should be acknowledged that this winter tax differential would have to be adjusted up or down in future, and the period of time lengthened, or shortened, as experience proved necessary, to accomplish the purpose. The winter tax differential would be applied on the supposition—and, Mr. Speaker, this is most important

—that profits earned by a company were in direct proportion to salary and wages paid to employees during these months of the year. If 10 per cent of a company's annual—

Interjection by Mr. MacDonald.

Mr. White: I am bold enough to forecast, Mr. Speaker, in reply to the carping question from the hon. member for York South that within 10 or 15 years this method will be used here in Canada. And one reason I wish to give the speech at this time is so that I can say to a lot of these self-appointed experts that they were wrong and I was right. As a matter of fact, after discussing—

Interjections by hon. members.

Mr. Speaker: Order, order. I must ask the member for York South to refrain from interrupting the speaker. Will the member for London South proceed?

Mr. White: Thank you, Mr. Speaker. Justice and order prevail and virtue triumphs once again.

Mr. Speaker, I think you will be interested to know that a friend with whom I discussed this idea called me just a couple of days ago to tell me he had read in *Saturday Night* magazine that Sweden had cured winter unemployment by using taxation. I have yet to find the details but I am doing so and I expect to report further to this House.

It should be acknowledged that this 5 per cent winter tax differential would have to be adjusted up or down in future, and the period of time lengthened or shortened, as experience proved necessary, to accomplish the purpose.

The winter tax differential would be applied on the supposition—and this is most important—that profits earned by a company were in direct proportion to salaries and wages paid to employees each month during the year. Now, I have repeated that 3 or 4 times, and surely to goodness even the hon. member for York South has grasped the import of it.

If 10 per cent of a company's annual payroll were for work done in December, for instance, taxes would be levied as if 10 per cent of the company's profit had been realized during that month, even though in fact December might have been either unusually profitable or exceptionally unprofitable. No new records would have to be kept by the companies because annual profits

must now be reported in detail to The Department of National Revenue, and monthly wages and salaries must now be recorded for the unemployment insurance commission.

Some will complain that decreased winter taxes would benefit logging operations and other industries that are more active in winter of necessity, but surely these are the very industries we must stimulate if we are to put the winter unemployed to work. Some will object that manufacturers could benefit by increasing production payrolls during the winter and stockpiling finished goods for distribution throughout the year, thus decreasing their taxes. But this is exactly what we want to accomplish, and such manufacturers, while serving their own best interests, would be assisting the whole Canadian economy.

Some will charge that the government would be helping private businesses, and that the individual taxpayer would be picking up the bill. But I say, sir, the total revenue from corporate taxes could remain the same while the suggested winter tax differential is implemented. The lower winter tax rate would likely result in an increased national product, with attendant increased tax revenues, thus offsetting the suggested winter tax decrease. If federal tax revenues did decrease, instead, such a decrease could be offset by a modest overall corporate tax increase while the differential itself was maintained.

It might be found, after several years of adjustment, that the basic corporate tax rate would have to be increased slightly from the present rate while the winter tax rate would be down from rates that now apply. The winter tax differential should be acceptable to business leaders even if it did result in some increase in the general corporate tax level.

The immediate alternative is more government work through an expanded winter works programme together with increased taxes to support such a programme.

The long-run alternative is a greater degree of socialism with more and more government control of every facet of our daily lives.

For similar reasons, the winter tax differential should be socially acceptable to responsible labour leaders, although it is predictable that the radical fringe—the fearless five of the CCF and their friends—will object if only because their pie-in-the-sky socialistic ambitions are thwarted.

It has been said that the power to tax is

the power to destroy. Many examples could be cited to show the effect of taxes on sales, consequently on production and eventually on wages paid in an industry. Some of the well-publicized industries that come to mind are tobacco, brewing and distilling, pulp and paper, appliance and automotive.

We must remember that when the federal government increased tobacco taxes to the point that sales fell off, the government's gross revenues from the increased tobacco taxes were actually less than they had been when unit taxes were lower. Anyone who has read the persuasive booklet published by the brewing industry will be convinced that their sales are directly related to the price spread existing between beer and liquor, as determined by taxes.

Will newspaper readers ever forget the tax tantrum displayed by one of Canada's leading pulp and paper executives a year or so ago? Or the constant public relations war being waged by appliance and automobile manufacturers against excise taxes on their products? No one seriously quarrels with these claims that increased taxes mean decreased sales, decreased production and decreased payrolls in an industry. If taxes can be used to destroy, then the power not to tax can be used to create.

The important point is this, sir, if taxes can increase or decrease sales and thence production in an industry from year to year as new budgets are fixed, taxes can be used deliberately to increase production in a given season, levelling out employment throughout

the year. Taxes can and taxes must be used for this purpose.

I think it behooves us to indicate to our hon. associates in the House of Commons how they can end winter unemployment in Canada forever. Those of us who wish them well, those of us who believe in free enterprise and in the vitality of private business, those of us who believe in the dignity and worth of free people gainfully employed, ask that they prescribe the long-term cure and banish the disease forever. In doing so they can end the series of winter illnesses that have for far too long fettered the progress of the Canadian giant in the true north, strong and free.

Mr. M. Belanger (Windsor-Sandwich): I move the adjournment of the debate.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the adjournment of the House, I remind the hon. members that we meet at 2 o'clock p.m., tomorrow. I would like to consider the estimates of The Department of Insurance which are very small, and then go into the Throne debate following that. On Thursday, sir, we will meet as usual at 2 o'clock with a night session on Thursday but none tomorrow.

Sir, I move the adjournment of the House.

Motion agreed to.

The House adjourned at 10 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Wednesday, December 14, 1960
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, DECEMBER 14, 1960

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Orders of the day.

Mr. R. M. Whicher (Bruce): Mr. Speaker, before the orders of the day, I have a question for the hon. Minister of Health (Mr. Dymond), a copy of which has been sent to him.

In view of the fact that the Quebec government has announced its participation in the federal-provincial hospital insurance scheme without any direct cost to the taxpayers of Quebec, has this government given serious consideration to the reduction of the premiums for the Ontario hospital insurance plan?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, in answer to the hon. member's question I may state that the Ontario hospital services commission is giving constant and serious consideration to all matters involved in the plan, particularly matters of cost. This naturally involves premiums.

Apart from that, sir, I would say that the question will be dealt with fully and definitively at the time the commission estimates are presented in this House.

However, there is a rather interesting sidelight to which I would direct the hon. member's attention, and that of all the hon. members in this House. An article in the *Toronto Globe and Mail* of this morning under date of December 12 conveys to me at least the impression that the government of Quebec are giving very serious second thoughts to their great enthusiasm at the outset. The so-called "free plan" is not going to be free by any means. It is causing them a great deal of worry as to where the money is going to come from, and it would look

from later reports as if \$25 million of new taxes will have to be imposed.

A further interesting sidelight is the fact that Quebec is one of the provinces which shares in the equalization factor of the tax-sharing agreement, and it should be remembered here in Ontario that we provide 50 per cent of that money.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I would like to ask the hon. Attorney-General (Mr. Roberts) if he has any statement to make with respect to the story that appears in today's *Toronto Daily Star* regarding the professional divorce co-respondent. I have not given him this question in writing. I think I mentioned it to him personally and I ask it in this general form because of the lack of advance notice.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, there is an article by Mr. Pierre Berton which appears in today's *Daily Star*. He got in touch with my department, with the Queen's Proctor, this morning and sent a galley proof of what was to appear. This gave an opportunity of seeing it a short time before it appeared in the press.

I think he was under the impression at that time that this particular case was still before the courts and that the decree absolute had not been granted. Checking, however, indicated that the decree, in the case he refers to, was absolute and was granted in December, 1959, a year ago. Therefore, if there was any proof or any evidence that related to this case, it would have to be in the field of perjury or misleading of justice, or something of that sort apart altogether from this particular case.

I would say that when this came to my office and I was consulted by my officials, we dealt with the matter as we would any such matter by taking steps to have inquiries made through the proper investigation channels.

However, I would like, in answering this question, to say that throughout my term of office as Attorney-General I have had very good co-operation with the press, and have very rarely had any occasion to complain about being misquoted or accused of statements that I did not make.

Therefore, it does surprise me very very much indeed, Mr. Speaker, to find a headline in the *Toronto Daily Star* in which I am quoted as having made a statement this morning. As a matter of fact, apart from statements in my own office with my own officials, I have not been asked any questions on this matter and I have not given any answers to anyone in relation to it. So I am surprised to see in these headline reports that I am quoted as having said thus and so.

This is a matter raising certain questions that will be investigated. The article, of course, is intended for public consumption and starts off by saying that I have pooh-poohed the idea of professional divorce correspondents. Apparently it goes on then to try to show me there are such people.

But I would like again to repeat that in my experience in the administration of justice in this province—and I have great confidence in the capacity of our judges to do their jobs—I do not think there are any number of professional co-respondents in the sense that you would use those words ordinarily. There may be times when there is deception; if that deception were wholesale, then I would say it would be an indictment of our courts, an indictment of the individuals sitting as judges in those cases in not taking the necessary steps to bring that sort of thing to light. But I do not think that is the situation.

In the meantime, if there are any elements in this particular case that would call for prosecutions as the result of investigations they would naturally follow. But, at the moment, the matter is being dealt with by way of investigation to the extent that certain evidence is being submitted in relation to those matters not related to this case now, because it is closed, though it might have some bearing on perjury or misleading of justice.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Prime Minister (Mr. Frost). I might say here again that no advance notice has been given, but I am sure it is no way a political question. It is simply this.

Several hon. members—and I think hon. members on all sides—have been concerned about the possibility or the probability of members' railway passes expiring on December 31.

Now the question I would ask of the hon. Prime Minister is:

Firstly, is there any truth to this rumour and secondly, if there is, is anything being done at the present time?

Mr. Speaker: I would like to mention two points—neither of the leader of the Opposition's questions were submitted to the Speaker's office—

Mr. Wintermeyer: Yes, I am sorry, Mr. Speaker.

Mr. Speaker: The other point is that some other member may have submitted an identical question.

Mr. Wintermeyer: Mr. Speaker, I must apologize, and I agree wholly with you I am out of order. I did this, particularly the last question, as a matter of—I would prefer to say—personal convenience of the hon. members rather than a political problem or question.

Hon. L. M. Frost (Prime Minister): Well, Mr. Speaker, I am glad to answer my hon. friend's question. I asked the clerk of the House and he had some intimation of this as well as did the hon. Provincial Treasurer (Mr. Allan), and they have been attempting to find out what the answer is.

I had thought that the passes to members in the provincial Legislature was a matter of statute. Apparently it is not, from what the clerk tells me. It is a permissive matter. Although I have not checked into it at all, apparently there might be some great constitutional question involved; so what I say is entirely without prejudice, you understand.

In any event, approaches have been made to the two principal railways, the Canadian Pacific Railway and the Canadian National Railways, to see if we can clear up the situation by the end of the year. Now, I can assure my hon. friends that with our great railway, the Ontario Northland Railway, there will be no question but what the passes will be available.

Now, I would think, sir, that with the railway passes to the other hon. members would be extended in the ordinary course. As a matter of fact, it is not too onerous a burden on the railways; railway travel in a great many cases has really ceased.

For those who travel from a distance, it is a very great convenience. I would think that the railways, in view of all of the good we do for them, and the way public business is facilitated, would certainly hesitate to alter the conditions which have applied, as far as I know, since the railways came into being.

That is all I can say, sir. I will try to get further information by the end of the

week and I will certainly be glad to pass it on to the House.

There is another matter which I should like to raise here relative to the business of this House. Last night when we adjourned at 10 o'clock, I stated there would be no night session tonight. I had previously said there would be a night session on Thursday, and then we would meet on Friday morning in the ordinary course.

In the meantime—and this is a matter, I think, entirely for the House—I have discussed it with the hon. leader of the Opposition and the hon. member for York South (Mr. MacDonald).

The situation arises this way: The press gallery, through their president, mentioned the matter to me but entirely without any pressure whatever. It was presented from this standpoint: There is a function tomorrow night which the press might attend if there is not a night session.

As a matter of fact, the press gallery said they would be delighted to attend the session here, but there are out-of-town members present, and it was an occasion which had been arranged some time ago, not knowing that there would be a possibility of a night session.

I make this suggestion if it would meet with the approval of the House: We might sit tonight until 10.30, which was the agreed time, have the estimates of The Department of Insurance this afternoon as we proposed, and then have entirely the Throne speech debate this afternoon and this evening.

Now, tomorrow afternoon we may call, as planned the estimates of The Department of Mines, as shortly after convening as we can. If it is possible to conclude those by 6 o'clock, it would, of course, be very satisfactory. If it is possible to conclude before then, we could go into Throne speech debate again.

On Friday morning, there might be a very few bills to deal with. I think if there is anything controversial in them at all, we would hold them over, but it might be possible to clean up some of the bills so that they could have third reading. Then, if it is desirable we could give them Royal assent before adjourning the House on Friday morning or Friday at noon.

I would say that on Friday the situation would be to clear up the bills now on the order paper, which are very few. It might be desirable—the clerk was getting in touch with those who had asked for private bills—it might be desirable to give them Royal assent, instead of waiting until the resump-

tion of the session. So, on Friday morning, there would be bills, the Throne speech debate, and then Royal assent to the bills which would appear to be desirable.

I realize that, in making this suggestion to the House, there are those who have made arrangements otherwise. If the hon. members have made other arrangements I think that should be recognized; that if they have to be away, it would be recognized that this is an unusual situation brought about by trying to meet the requirements of this time of year.

It is not usual, at least in our history, to hold sessions in this part of December and, of course, there are commitments already made. I think we would all like to facilitate those things, if it is not a matter of inconvenience to public business.

My proposal would be to have a night session tonight until 10.30, no night session tomorrow night, to devote this afternoon and evening, after the matter of the estimates of The Department of Insurance, entirely to the Throne speech debate. The matter has been intimated to the hon. leaders opposite, and I am sure we would all be guided entirely by what the House would say in this regard.

Mr. Wintermeyer: Mr. Speaker, what the hon. Prime Minister has said is certainly right. A delegation came to see me, and I am in agreement with what the hon. Prime Minister has said. I would only say that I found a good many of our hon. members had, in fact, made commitments. I am one of them. I did not anticipate this session tonight, and it will be impossible for me to attend.

Mr. Speaker, I would want it specifically understood that nothing but Throne speeches will be taken up tonight. I would want it understood secondly that absentees will not be criticized for their absence in view of the fact that they have made commitments. Thirdly, Mr. Speaker, I would ask the hon. Prime Minister that he refrain from including any reference to very serious debatable issues, such as Eastview or municipal affairs under Throne speech on this occasion tonight.

I think, Mr. Speaker, with those qualifications, we are of the same mind as the hon. Prime Minister. This is an inconvenient matter, it is an understandable situation, and we will do what we can to co-operate.

The only other suggestion I would have is one that some hon. members have made, that there is a question whether or not it is wise to hold a night session on either of these nights. It may well be that we could refrain from night sessions both tonight and Thursday night.

Mr. D. C. MacDonald (York South): Well, Mr. Speaker, I am not going to repeat all that has been said. We are aware of the attempts to meet this situation. There were some little difficulties, but I think we were able to cope with them in our group. They would be willing to go on with a night session.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

House in committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF INSURANCE

Hon. A. K. Roberts (Attorney-General): I might make a few preliminary remarks. This is one of the occasions when The Department of Insurance is being called by itself, and not following the general estimates of The Attorney-General's Department. I think I have some facts here that might be of interest to hon. members.

As of September 30, 1960, there are the following number of agents registered under The Insurance Act: Life insurance—7,350; other than life—9,362; Insurance adjusters—500.

The number of cases in which applications for agents' licences were refused was radically reduced in 1960, owing to the fact that regulations were passed under the Act making the requirements much clearer to insurance companies who have to sponsor the applicants and to the applicants themselves.

With respect to The Real Estate and Business Brokers Act, in 1960, the department inaugurated the requirement that all applicants for salesmen's licences had to pass a departmental examination, for which an examination fee of \$5 was charged. Due to the fact that a much larger number of applications for salesmen's licences were refused in 1960 than in previous years, the number of salesmen's licences presently in effect—6,015—was 600 less than in 1959. But it is felt that the standard of knowledge of each licenced real estate salesman has been materially enhanced through the examination. There are also presently registered 2,590 real estate brokers.

The estimated increase of revenue for 1961-1962, which is estimated as a total of \$623,100, is a material increase over that of 1960-1961 of \$473,200. This is mainly due to increased fees, required to be paid to

insurance companies and loan and trust corporations, which were put into effect early in 1960, and also the registrations under The Mortgage Brokers Act which came into effect on July 1, 1960, and which provided new fees of \$20,000 this year; an estimate of \$13,000 for 1961-1962. The reason for this is that the fee is larger on the initial legislation than it is on the renewal.

This reduction is due to the original registration amount being \$20 with the renewal fee \$10. The original application fee for a company is \$35 and the renewal fee \$25.

The estimated expenditure for 1961-1962 is \$449,000 as appears in the estimates, compared with \$415,000 for 1960-1961. This increase is due mainly to new expenses in connection with The Mortgage Brokers Act and also the cost of giving examinations to real estate salesmen for the first time. The department now has 26 inspectors on the road continuously, made up as follows: Real estate inspectors, 7; credit union inspectors, 11; insurance company and loan and trust company inspectors, 7; and insurance agents inspectors, 1. Many inspectors who formerly were in the office part time are now on the road continuously, throughout the province whereas, formerly, they were confined mostly to the Toronto area.

The inspectors under the real estate branch during their inspections are chiefly concerned in ascertaining whether trust monies are properly kept. Inspectors of insurance companies and loan and trust corporations are mainly concerned with the capital position of the companies concerned and the sufficiency of their records.

Advisory board hearings are provided for under The Insurance Act, but last year no hearings were held because there was no appeal from any decision of the superintendent. Advisory board hearings are also provided for under The Real Estate and Business Brokers Act and hearings were held on 15 occasions this year.

Under The Mortgage Brokers Registration Act, there have been 950 registrations since July 1, 1960. Six applications were refused, of which 3 applied for a hearing and review under the Act. These hearings were completed and in one case the previous denial of registration was confirmed. Decisions on the other two cases have not yet been given.

With respect to The Credit Unions Act, there are presently 1,407 credit unions operating in Ontario, with a total membership of 494,107, and having total assets of \$197,418,200. Eleven inspectors in the

department spend their full time in inspection of these credit unions in collaboration with inspectors of the credit union league.

On vote 901.

Mr. J. J. Wintermeyer (Leader of the Opposition): This involves just one vote, I understand, Mr. Chairman, and I presume therefore that we may ask any questions under this one vote related to The Department of Insurance.

Mr. Chairman, my first question would be to ask whether I am correct in my assumption that The Credit Unions Act comes under the jurisdiction of this department.

Hon. Mr. Roberts: Yes.

Mr. Wintermeyer: Mr. Chairman, may I ask the hon. Attorney-General how many credit unions there are in Ontario?

Hon. Mr. Roberts: The figure I just gave I think is exactly right, 1,407.

Mr. Wintermeyer: Has he any idea how many people are involved?

Hon. Mr. Roberts: Yes. I think the hon. leader of the Opposition was perhaps just preparing for his questions when I read this a moment ago. I will repeat this if I may. Some 1,407 credit unions are presently operating in Ontario with a total membership of 494,107, and having total assets of \$197,418,200.

Mr. Wintermeyer: Thank you, Mr. Chairman. May I ask the hon. Attorney-General whether I am correct in assuming that The Prepaid Hospital and Medical Services Act is likewise under the jurisdiction of this department?

Hon. Mr. Roberts: The answer is yes.

Mr. Wintermeyer: In that connection, Mr. Chairman, may I ask how many people are involved in medical protection, for example?

Hon. Mr. Roberts: There are some 40 plans licenced under that.

Mr. Wintermeyer: Are these profit or non-profit plans?

Hon. Mr. Roberts: They are nonprofit plans.

Mr. Wintermeyer: All nonprofit; and the 40 plans include how many people?

Hon. Mr. Roberts: We do not have those figures. If it is considered important perhaps they could be obtained.

Mr. Wintermeyer: Mr. Chairman, may I ask the hon. Attorney-General whether he has any idea as to the percentage of the premium dollar that is paid out for claims under these varying plans?

Hon. Mr. Roberts: We have not got that information. Again, if the hon leader of the Opposition feels that that would be useful information, I would ask the superintendent to obtain it.

Mr. Wintermeyer: Mr. Chairman, I would ask the hon. Attorney-General to get this information if he would. The questions I am interested in are these: Strictly, how many people are insured under the 40 plans? I would also like a breakdown of how many are insured under a medical plan, and I understand there may be a drug plan or a dental plan, and a hospital plan. I would like details in these several respects.

Hon. Mr. Roberts: The superintendent tells me that nearly all, or all but 3, I think, of these 40, are county organizations.

Mr. Wintermeyer: County organizations? Have any plans been cancelled in the last year, Mr. Chairman?

Hon. Mr. Roberts: No.

Mr. D. C. MacDonald (York South): Mr. Chairman, there are 3 items which I would like to raise with the hon. Attorney-General in the case of these estimates. I think I will take each one of them separately because they have no relationship to each other.

The first one, Mr. Chairman, has to do with car insurance companies which come under the direction of the superintendent of insurance. In the Act, Mr. Chairman, companies have the right to cancel a contract on as little as 10 days' notice and there is no obligation to give a reason as to why they cancel it. I am referring specifically to car insurance.

Hon. Mr. Roberts: I think it is 15 days.

Mr. MacDonald: Well, within a 15-day period, anyway. On some occasions, Mr. Chairman, some companies do cancel policies. They will do it for other reasons than the ability or the capacity of the person to drive. On some occasions they will do it for what might be generally described as moral reasons or moral conduct that might be prejudicial if they were ever to get into a court case and have to defend this client of theirs.

I have a specific case which I would like to relate to the House, because I think it

focuses attention in a very sharp way on what seems to me to be a rather dangerous procedure or situation here. This is a case of a chap who suddenly received notice from Allstate Insurance Company that his policy was cancelled. He sought the reason and was told, quite rightly as far as the law is concerned, that they did not have to divulge the reason and that was that.

Now, this happened to be a chap who works for the federal government in a position where he would have had to submit to very high security investigations so that there was no security involved. It must have been on alleged moral reasons or something of this nature. He could not find out. Legally the company was in a position to withhold this information.

Now, this is the next situation that he faces: Because his policy has been cancelled, he goes to another company and in the insurance fraternity this words gets around and he discovers that he cannot get a policy from these other companies.

In other words, for no reason that has anything to do with his driving ability at all, he finds himself in the position that he cannot get insurance at the normal rates. If the hon. Minister wants time out for all the hon. insurance spokesmen in the House to converge on him and discuss this matter so that he can be well briefed, I am willing to give him 5 minutes. I am surprised the hon. member for High Park (Mr. Cowling) has not been down, he is really missing a bet here.

The interesting thing about this case is this. When we took this matter up, because we were puzzled with the exercise of this power, and discussed it with the superintendent of insurance office, we were told that after they had looked into it, this was within the power of the company.

We were also told another interesting thing. While they could not divulge, and quite rightly so, the reason for it, that upon examination of this reason, the office of the superintendent of insurance felt that they were justified in cancelling the policy.

A few weeks went by and—because, I submit, the insurance companies became aware that this matter was being looked into—they gave it some sober second thoughts and changed their mind.

They wrote the man and said that they had reconsidered the matter. They were not going to cancel the policy, but would reinstate it.

For very obvious reasons, the man at that stage said: "You go chase yourself, I would not buy insurance from you if I lived for a

thousand years." But, meanwhile, he had been blocked in getting insurance from another company.

Now, this is the question that this whole little incident raises, Mr. Chairman: It seems to me that when an insurance company has the right to place a black mark against a man by cancelling his policy, and by refusing to give any reasons for it, so that he faces difficulties in getting insurance from any other company, this is coming very close to an encroachment on the civil rights of the individual.

He is judged with no right of appeal and the consequences of this judgment raise difficulties and financial obligations as far as he is concerned.

Now it seems to me, from our point of view in this Legislature, the question is this: Is it the function of the superintendent of insurance office to protect the insurance companies against the public or to protect the public against the insurance companies?

I admit this is only one case and, perhaps, one should not come to too definite conclusions on the basis of one case. But I submit that, because of the Act and how it reads, the net effect was that the superintendent of insurance office was protecting the company against this one man, instead of protecting this one man against the company. Only because the company had sober second thoughts did they change their mind.

Now I am wondering, Mr. Chairman, whether the hon. Attorney-General and his department, his legal advisors, have given consideration as to whether or not—without doing any grave injustice to the insurance companies—procedures could not be evolved for permitting some sort of an appeal, some sort of a private statement to the person as to why his policy had been cancelled. I submit that if we are not willing to face up to this, the net result is that we are encroaching on the civil liberties of the individual and facing him with financial obligations for which he ought to know the reason.

Hon. Mr. Roberts: Well, Mr. Chairman, I would think that if there was any very widespread problem of that sort the superintendent would be pretty much alerted to it. He tells me he does get an occasional complaint, but that at the moment they are nothing unusual in number.

I would suggest that where a situation such as the hon. member has outlined exists, the party might well get in touch with the superintendent, and the superintendent—by virtue of his office, but not necessarily by reason of any statutory power—would be able to ask

certain information from the company concerned.

He tells me where he does that he usually gets a statement of reasons. But those reasons would be confidential and he would not be at liberty to pass them on to the person concerned. I mean, they might be libellous, they might be all sorts of things if exposed. Though they might be correct, they might have other ramifications that it would not be proper for him, at any rate as an intermediary, to pass on.

However, to this extent he is able to weigh the information and, if it was obviously to his mind an unfair situation, I would expect that he would use his office at least to assist the person concerned.

Now that is all in the field of discretion. There is no provision beyond that at the present time, and I would think there would have to be a pretty good case built up before one would want to interfere with normal contractual rights and that sort of thing. But if there was any real abuse going on in that field, I would say that the superintendent should certainly take a look at it. He might have some recommendations to make.

Mr. MacDonald: Well, Mr. Chairman, just let me direct my attention first to the reasoning of the hon. Attorney-General when he says that this is not very widespread and therefore perhaps we do not have to pay any attention to it.

Hon. Mr. Roberts: I did not say pay any attention to it. I suggested that it could be handled individually through the superintendent.

Mr. MacDonald: Well, I will come to that in a moment, that was the second point I was going to take a look at. But if there is only one murder, we do not have to worry about it, it is not a widespread problem. If there are a lot of murders we take a look at the situation.

Hon. Mr. Roberts: That is not keeping within the proper bounds of what I said. If they are just individual cases they probably could be cured and corrected in the way I mentioned.

Mr. MacDonald: Let us take a look at this individual case. The hon. Attorney-General says that the man should go to the superintendent of insurance. I do not know where he went himself but he came and presented the case to us and we took the matter up on his behalf with the superintendent of insurance.

I do not want to embarrass the superintendent of insurance but here is the problem. When we took it up with the superintendent of insurance he looked into it. He then volunteered his own opinion that this was a justifiable decision on the part of the insurance company. So far so good.

A few weeks go by and the insurance company changes its mind about a decision that the superintendent of insurance and the insurance companies were attempting to get away with. And only because of what we might call an extraordinary kind of an appeal, through our intervention, was the matter looked into.

Now, the select committee that is looking through the whole question of government reorganization, has given a great deal of time and thought to, and I think that all hon. members in all parties in this House have been in support of their efforts to, protect the rights of the individuals by giving some recourse to appeal on a decision.

I submit that even if we have no other case the circumstances of this case focus on a rather serious situation: This insurance company, if nobody had been willing to intervene, would have gotten away with cancelling this man's policy and all the consequences that flow from it, and they would have gotten away, presumably, for reasons that were, at that time, acceptable to the superintendent of insurance.

Hon. A. Grossman (Minister without Portfolio): What is the hon. member's answer to it?

Mr. MacDonald: I have suggested, in general terms, how we should solve it. We should examine some way of appeal, so that the person who is faced with a decision with which he has to live will know what the reasons for these decisions are.

Hon. Mr. Grossman: That would leave them open to a libel suit.

Interjection by an hon. member.

Mr. MacDonald: It can be done privately so that there is no libel suit involved. If the man has had his policy cancelled, and it is for some reason that would be libellous, he can, at least, be informed what the reasons are in such and such a fashion so that there will be no libel suit involved in it.

Hon. Mr. Grossman: Does the hon. member know that the same thing applies in life insurance?

For instance, Mr. Chairman, the information the company gets is private and confidential, and each company gives the information they get on an examination to what is known as the medical information bureau. And they will not even tell the agent why the man was rejected. The reasons given are they do not want to leave themselves open to a libel suit.

After all, they might have been wrong in their decision. The information they received might have been wrong, but they are not going to put up \$200,000 to \$100 when the information they received would lead them to believe the man is a poor risk

Mr. MacDonald: Mr. Chairman, I am not surprised the hon. Minister is going to get up and act as counsel for the insurance companies, but I would draw this to his attention—

Hon. Mr. Grossman: I am not acting as counsel for State Farm, because they are the nemesis of most of the other legitimate insurance companies in the country.

Mr. MacDonald: I draw to the attention of the hon. Minister that all the other insurance companies can act on the same basis. They are all operating under the same law. Let us not try to segregate them. All I say is that, by the hon. Minister's own admission, they may have made a decision and cancelled the policy on false information.

Hon. Mr. Grossman: That is right.

Mr. MacDonald: How is one going to get some examination to find out whether the information they made the decision on is false? There is no possibility for an appeal.

Hon. Mr. Grossman: What is the hon. member's answer to it?

Mr. MacDonald: I am suggesting there should be some means for an examination or a re-examination from some disinterested person. What I am disturbed about—and I am going to put it in blunt terms—is that in this instance the superintendent of insurance agreed with the decision. This raises in very sharp terms whether the office of the superintendent of insurance is there to protect the public against the insurance companies, or to protect the insurance companies against the public. I submit there is no doubt as to what his function should be. He should be there as an officer of this government to protect the public against the insurance companies.

Hon. Mr. Grossman: Suppose he ruled against that man? Would the hon. member then say that the superintendent had been a disinterested person or would he argue he was acting for the insurance company?

Mr. MacDonald: I am not going to get into an argument with the hon. Minister. All I am saying is that this case proves conclusively there must be some avenue for examination of the evidence upon which the insurance company comes to its decision. Otherwise the door is opened to an encroachment of the civil rights of this person by placing a black mark against his name. This has at least financial consequences, in that he cannot get insurance from other companies in the fraternity.

Hon. Mr. Roberts: I think the hon. member for York South is really challenging subsection 9 of the statutory conditions. This is a uniform provision. He has drawn attention to it and in quoting it, I am not necessarily upholding it, but I would just like to mention that this is uniform apparently throughout all our provinces: It reads:

9. Insurance may be terminated by the insurer at any time by giving to the insured 10 days' notice of cancellation by registered mail, or 5 days' notice of cancellation personally delivered to the insured, and refunding in either case the excess of paid premium beyond the *pro rata* premium for the expired time.

In automobile cases it is 10 days.

What I would be prepared to do is to ask the superintendent to bring this matter up at the next meeting of the association of superintendents and have the transcript from *Hansard* of what has been said here. Then ask him to get a review from all the superintendents across Canada, and that will include the superintendent from Saskatchewan who represents the same party as that represented by the hon. member, and we will get a good review of that statutory condition.

Hon. L. M. Frost (Prime Minister): Might I suggest to the hon. member that I think his point is that Mr. X's policy may be cancelled and he has no idea as to what the cancellation is for, and he is placed in an embarrassing position in getting insurance elsewhere.

It does seem to me there is something in that point. Perhaps the superintendent might discuss this, that a company could be expressly authorized to give a notice of cancellation, giving the reasons, and in so giving the reason absolve the company of

claims for libel and slander. That might be a reasonable way of getting around the situation.

Whether that is feasible from an insurance standpoint or not, I would be unable to say, but I think it is worth while discussing in a council of superintendents.

In this day and generation, where insurance becomes such a vital matter in so many ways, perhaps it is right and proper that the insured person should know the reasons for which the disqualification applies, because if he knows the reasons perhaps he can rectify them.

Mr. MacDonald: Well, Mr. Chairman, I will leave that matter. There is just one final comment on it and I would be very glad to leave it to the hon. member for Bruce (Mr. Whicher).

I think one value that may arise from this discussion—particularly if our friends from the fourth estate get it out to the public—is to learn how widespread this practice is. The hon. Attorney-General does not know how widespread it is, and I think correspondingly the superintendent of insurance will not know. Only a very small fraction of the cases would ever come to his attention.

My observation, on a purely hit-and-miss basis, is that quite a number of people find that their policies are cancelled. In fact, in another context, the hon. Prime Minister had his policy cancelled—oh, no, I think he cancelled it, it was health insurance or something.

Hon. Mr. Frost: Oh, I have had them cancelled too.

Mr. MacDonald: It seems to me it would be interesting to find out how widespread this is, because if it is more widespread than perhaps I believe or the hon. Attorney-General is aware, that is all the more reason why we should look into it to protect us.

Mr. H. J. Price (St. David): What about Saskatchewan? Surely they cancel policies out there?

Mr. MacDonald: I have an answer for that but I will not advance it at the moment. It relates to something else in the context of what I said, and I will draw it to the attention of the hon. member some time.

Mr. R. M. Whicher (Bruce): Mr. Chairman, the chairman of the committee dealing with automobile insurance in select committee is not here, but if he were here I am sure he would say something. We have had many

insurance companies' representatives before the committee, and I felt after many, many meetings that they were very fair about this particular matter raised by the hon. member for York South. I do not think it is any secret at all, because members of the press were present and they too are worried about this particular problem.

They realize it is not really fair that a person should have his insurance cancelled when he has legitimate right to drive on the highways of the province of Ontario—because he has been granted a licence by the government.

They gave us an offer whereby they would insure anybody who was granted a licence in this province, providing a committee of disinterested people was set up to whom they could appeal. Then they suggested if they sold the proposition that this was not a fit man to be driving on the highway, they would have the right to cancel the insurance for just and proper reasons. They further suggested that the licence should be cancelled.

I think this is a very important matter that the hon. member for York South has brought up and I do feel that, with the co-operation of the government and the insurance companies of this province, it will be ironed out in the next year.

Mr. MacDonald: Mr. Chairman, it is not a question of whether he is a fit person to drive on the road. This presumably is what the insurance company is interested in. He may not be in the mind of the insurance company a fit person to drive on the road, not because of his driving ability at all, but because of some other personal habits which we can generally describe for the moment as moral conduct.

Has the insurance company in effect the right to become arbiter on issues far beyond insurance with regard to moral conduct? I think, quite bluntly, an insurance company has no right to be in a position to become this arbitrary and yet it is.

I will leave the matter there. I appreciate very much the government's willingness to look into it.

Mr. Chairman, there is another matter I want to raise. I do not pretend to know any of the details in this field. But I suspect all hon. members of the House, during the course of the past few months received a communique from what is called *The Canadian Collector* with regard to collection procedures and garnisheeing under The Ontario Collection Agencies Act. This is dated August 15.

I want to read a couple of paragraphs here which state the case, because I think it brings it right definitely into the purview of this department:

The members of the Canadian collectors' association, at present comprising the majority of the collection agencies doing business in the province of Ontario, ask your co-operation in a matter of good ethics.

We enclose a copy of *The Canadian Collector* for August 1960. In it we have reproduced a copy of a notice of garnishee issued recently in the city of Toronto by the President Electric Limited. As far as we know there was no judgment ever signed against the person to whom this notice was mailed, nor any action instituted in a division court.

We ask for an urgent attention to it and an investigation into the above situation. The above notice we have drawn to your attention was drawn up by a house agency. It is merely a setup of fictitious means used by the credit house.

Collection agencies are forbidden to make telephone calls to debtors; these people can do what they like, namely, these house agencies. The type of form letter we use in writing to the person who we are asked to collect from must first be submitted to the registrar of collection agencies for official approval.

We fully agree with this and co-operate, but these people can do what they like.

All our past efforts to obtain the co-operation of The Department of Insurance to amend the Act to include the house agencies have been fruitless. Yet, in many of the American states, anybody using a fictitious name, or seeking to collect debts for themselves in any other name but their own, must be licenced as a collection agency. Not so in Ontario.

We suggest that The Collection Agencies Act, 1947, be amended to provide that the definition "collection agency" shall include "house agency," and that their practices become subject to inspection and regulation in the same manner as all other collection agencies.

This was sent out over the name of Frederick E. Towler, executive secretary of the Canadian collectors' association.

My question to the hon. Attorney-General is: Why is the government not willing to expand the Act to include these so-called house agencies? I ask because apparently this matter has been raised by the various

licenced collection agencies with The Department of Insurance and have not been able to get any response or co-operation.

Hon. Mr. Frost: Someone is always trying to get under the wire in these things. Could the hon. member let us have the communique? They should be included; does the hon. member have the notice?

Mr. MacDonald: I can give the hon. Prime Minister a copy of this.

Hon. Mr. Frost: As I say, it may be quite legal and proper that somebody can do something to avoid the provisions of the Act. Perhaps they should not be able to avoid the provisions of the Act. If the hon. member will let us have a look at that, we will be very glad to—

Mr. MacDonald: I would be very glad, but I am a little surprised as to why, at this date, I should have to do it. I cannot believe—

Hon. Mr. Roberts: The superintendent has seen it. I have never heard about it before; but there are a lot of things I have not heard about.

Mr. MacDonald: But anybody else can do it too.

Hon. Mr. Roberts: The hon. member for York-Scarborough (Mr. Sutton) says that particular firm is out of business.

Hon. Mr. Frost: However somebody else might; I would like to have a look at it.

Hon. Mr. Roberts: Actually there have been some 6 different companies in that category, "house agencies," written to recently by the superintendent of insurance—having in mind the very points my hon. friend brought up—wanting more information. Possibly we will have some recommendations with respect to bringing them under the Act, the same as those who collect for others than themselves.

The difference, apparently, is that a house agency collects its own accounts, or has an agency set up within its own structure for collecting its own accounts; whereas the Act applies to collection agencies collecting accounts for others.

I might say, while I am on my feet, since I did not give these figures earlier, that there are some 129 collection agencies licenced with an additional 51 branches of those agencies, and the number of collectors is 584.

Mr. MacDonald: I was interested in the hon. Attorney-General's comment that the superintendent of insurance has written to a number of these house agencies. I submit, in fairness, that the superintendent's writing is not adequate, that the Act should be expanded so that he has the power to write and say: "You are under the same laws as the rest of the people," who are, in effect, in the same collection game.

Hon. Mr. Roberts: I will just clear that right now. In the letter, the superintendent tells me, he told them he proposed to recommend that they be brought under the Act, and that he wanted to give them notice, so that they could give any reasons for not taking that course. That is a further step, even, than I indicated before.

Mr. MacDonald: That is fine. This must have taken place since August 15, when this was dated because, at that point, they say that they have not been able to get co-operation from The Department of Insurance. We are making progress.

Hon. Mr. Roberts: The letter went out within the last 6 weeks.

Mr. MacDonald: Good. The final point I wanted to raise, Mr. Chairman, with the hon. Attorney-General—I believe this would come under The Department of Insurance—is the power of a trust company to invest trust funds in another company in which it has a very great financial interest through interlocking directorates.

I can give hon. members the case here by quoting 3 or 4 paragraphs from a letter which has been sent to me personally. I am willing to give this letter to the hon. Attorney-General afterwards, if he wants it. Referring to the Canada Trust Company, the letter states:

Assessment shows that this company has been investing in bonds of the Huron and Erie Mortgage Corporation, an associated company. And I agree that there is a serious conflict of interests—the two companies have interlocking directorates and I cannot help but wonder whose interests are being looked after by the administration of these trust funds.

It would be interesting to know how much stock the officers of the directorate of the Canada Trust Company have in the Huron and Erie Mortgage Corporation as they are in a position to direct funds to this associated company and thus influence the value of the stock and the dividends paid.

I am of the opinion that the stockholders of the Huron and Erie Mortgage Company are the real beneficiaries of this trust fund.

Quite apart from the argument and views of this particular person, it is the principle involved that I think we should look at. Our present laws permit a trust company to invest in what, in effect, may be, if not a subsidiary, another company in which they have a serious interlocking directorate and therefore, as he argues here, are in a position to benefit the financial position of that company and thereby personally benefit from it.

I am wondering if the hon. Attorney-General does not think that here is an area in which, from our point of view, we should examine the legislation with a view of protecting the investment of trust funds to be certain that it is going to be done without any potential conflict of interests, as illustrated by this case.

Hon. Mr. Roberts: I think that the companies the hon. member referred to—the trust companies—are federally chartered.

Mr. MacDonald: Is it beyond this province's jurisdiction?

Hon. Mr. Roberts: I am just pointing it out; I did not say whether it is or not. Actually, at the moment, these sort of investments are not prohibited. That is the position at the present time. However, as to whether it should be prohibited or should be checked upon, I will ask the superintendent to look into it.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I would like to bring a case to the attention of the department—it may be that it would come under the vehicles branch of The Department of Highways. It does relate to insurance. I have the details and the case is on record with The Department of Transport.

A young man, 18 years of age, was charged with careless driving. There was very slight damage done, almost negligible, but his licence was suspended for 6 months. Being at that age a little adventurous he drove without his licence and received a further suspension of 6 months, and decided to put up with it.

He became 21 years of age, and receiving a responsible job in industry, felt a little more mature and bought a car. Then he applied for his licence and, of course, he had to have insurance.

In applying for insurance he found that the first policy he could buy would cost him

something like \$420 for the same amount of coverage that he had in the original instance for something like \$86. He pursued the possibility of getting insurance, but the cheapest he could come up with was \$320 for the same coverage that he had originally.

The point is that his penalty has been lifted by the law. They lift his suspension and say his licence is there when he gets the proper insurance. But it just seems to me to be an undue penalty to say that after this period of years, from 18 to 21, where he should be assumed to be a responsible citizen, he should be unable to buy insurance at a regular rate without this penalty of risk insurance.

I would ask that the department take this under consideration and I will, if they request, bring details of the individual which can be checked with the files of The Department of Transport.

Hon. Mr. Roberts: If the hon. member will send the information over to the superintendent, or send it to him at his office, he will look into this particular case.

I might say that both he and I are somewhat amazed at the difference in the figures the hon. member has quoted. While these rate charges are under the control of the department, the great differences the hon. member mentions do not seem to make sense to us at the moment.

Mr. G. W. Innes (Oxford): Mr. Chairman, I would like to bring to the attention of the hon. Attorney-General a problem that has come to my attention recently. It is regarding the renewal of application for an insurance agent's licence for other than life insurance. The superintendent of course is aware of this situation and it is something that I feel very strongly about. I will read the letter that has been written to this person who made application:

On checking your renewal application we note that your wife is now employed as a registered nurse. May we draw your attention to the new regulations made under The Insurance Act re the licensing of other than life agents as published in the *Ontario Gazette* of June 13, 1959.

These regulations state that certain occupations are not permitted in conjunction with the holding of an insurance licence. Section 4, subsection 2, paragraph (c) refers to a doctor, dentist, nurse or medical or dental technician, and the spouse of such a person must also be declared ineligible. For this reason we are placing your application in abeyance until we hear of your intention.

If your wife plans to continue in her employment as registered nurse then we will be obliged to decline your application and refund the fee paid.

I have brought this to the attention of Mr. Whitehead. As I have said, he has managed to clear this situation up. When this applicant made his application he went to the general hospital where his wife was employed, and he was very indignant about this particular ruling, and the administrator, in no uncertain terms, was also much annoyed. She happened to be one of his better nurses, one who is a graduate nurse, and who is in a special department there.

I do feel that this legislation certainly needs looking into. We have a lack of nurses in the province at the present time—we have had for some time—and it seems unjust to tell a person that because he is marrying a registered nurse he cannot operate his business.

I think that this certainly merits some consideration where possibly some amendments should be brought into this particular Act. It looks to me as if it is very discriminatory to tell a person whom he can marry in this province. It is certainly undemocratic to tell a person that, after she spent 4 years in college, and possibly taken postgraduate course as a nurse, and decides to marry an insurance man, that her career is completely washed out.

I just ask the opinion of the hon. Attorney-General on this particular matter.

Hon. Mr. Roberts: I am inclined to agree with the hon. member. When that went in—it must have been long before my time anyway—I suppose the thinking was in the field of undue influence maybe with the idea that a nurse who was the wife of an insurance agent might use undue influence on a patient to take out insurance. But it seems highly impractical and certainly I think that should be looked at. It is in the regulations, not in the statute, and therefore it can easily be amended by an amending regulation.

Mr. Innes: Yes. It is pretty discriminatory because even the nurses are beginning to wonder if they should marry insurance men, and insurance men are wondering whether they should marry nurses.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I am interested in the real pride that the hon. Attorney-General took in the growth of the credit unions across the province. I am sure he wants to do all he can to encourage this method of people

collectively using their initiative. I think he knows the situation in the Maritimes, where credit unions and co-operatives in many ways almost changed the economy through the efforts of Dr. Cody and others.

With respect to credit unions, I will ask about 3 questions simultaneously so I will not have to get on my feet again.

Apart from inspectors for credit unions, has the government considered trying to extend their scope, for example through co-operation with the hon. Minister of Education (Mr. Robarts) to establish credit union courses at the university?

Has the government—and I know it has done this with respect to Hydro energy—ever considered helping the credit union movement through having conferences? In other words, has the government, apart from inspection duties, taken an active interest in promoting the credit union movement?

One particular point that I myself have been very interested in concerns newcomers who have come to this country, having a background of credit unions and co-operative movements. I am sure if the hon. Attorney-General were to look at the number of credit unions he would see a proportion of these had been started by a variety of ethnic groups since the war. And they are trying to develop into other co-operative areas as well.

I have had a particular interest in the Estonian credit union of which I am a member. But I am speaking impartially about the Estonian Housing Company Limited, for I am not a member of that company. I noticed that when newcomers came to this country they were particularly interested in trying to own houses. Their traditions in Sweden and other countries led them to band together on a co-operative basis.

Knowing the pride that the hon. Attorney-General takes in the credit union movement, I am sure he would also encourage them with respect to moving into the housing field.

These Estonian Housing Company people banded together in 1951 and built two apartment buildings in Toronto. They wanted to run these without any profit motive, on the basis that individual members by joining together could have their own co-operative apartment scheme.

Hon. Mr. Roberts: The hon. member said he had 3 questions.

I think he has finished one; I am not sure if he is on the second or not, but he had better let me deal with them as he goes along.

One of the primary reasons for the existence of the credit union league is to educate and promote good public relations within its membership. It is my view, strengthened by the superintendent's similar view, that they are doing very extensive work in the field of education about which my hon. friend is speaking. I would think if there was any need for anything beyond that, we would hear from the credit union.

We have a very good arrangement with the credit union league; they co-operate with us and we try to co-operate with them. They issue a monthly bulletin, which the hon. member for Dovercourt may know about, and one gets a great deal of information about what is going on through that medium.

But I feel that they have assumed those responsibilities and, I think, are carrying them out satisfactorily.

Mr. Thompson: Thank you very much. I shall ask the last question. I can appreciate that the hon. Attorney-General's sympathies are very much with the credit union and co-operative movements.

I am concerned with a problem of a small group of Estonians. Their problem could have happened to others who have settled in Canada and found that the only way that they could stand together in order to provide housing for themselves is on a co-operative basis—a very worthy approach on their part, showing their initiative and their industrious background. So they built these—

Interjection by an hon. member.

Mr. Thompson: Yes, they are members of the league, sir. But they bought these two apartment houses and they wanted to have them on a co-operative basis.

I am sure the hon. Attorney-General knows that Sweden has dealt with the housing question in this way.

Well, they went ahead with this but first they found that, under the law of Ontario, in order to have a co-operative apartment house they had to form a limited company.

This meant that the purpose of their incorporation was to provide a means by which a group of persons could own individual apartments in an apartment house. The legal ownership of the individual apartments is not possible under Ontario law, and the only means to achieve a substantially similar status was to incorporate a limited company.

As the hon. Attorney-General will realize, they are not making any profits. Yet after several years—in fact I think it was started this year—they are now being taxed as a

profit-making corporation. They are not considered as a co-operative unit.

I suggest, sir, that perhaps this could be looked into because nonprofit co-operatives are a means by which we can encourage people to own homes.

Hon. Mr. Roberts: I would think they would be under part 5 of the Act, which is a membership provision rather than a share corporation type of organization. Under part 5, they would have all the privileges that any other co-operative would have.

If there is anything of a technical nature in connection with the matter that would bring them outside that for some reason, if the hon. member will let us have the information, we will be glad to check on it.

Mr. V. M. Singer (York Centre): Mr. Chairman, there are 2 or 3 questions I would like to address to the hon. Attorney-General arising out of the accounts of The Department of Insurance.

I notice that the estimate for salaries for this year will be \$330,000. Last year the estimate was for \$310,000 and the actual expenditures were \$284,000. The expenditures were \$25,000 under the estimates. This year they are asking for \$50,000 more—a very substantial rise in salaries. Is it intended that the staff of this department is going to be very substantially increased, and if so how?

Hon. Mr. Roberts: There is an increase of 2 or 3 in relation chiefly to the mortgage brokers and real estate work. Then there is an annual increase that the staff generally receives which brings the amount up each year somewhat and, in this particular case, those two items together bring it up pretty well to form the full difference.

Mr. Singer: Pretty well up to the \$330,000?

Hon. Mr. Roberts: Yes.

Mr. Singer: The hon. Attorney-General did mention the real estate branch. I do not see Mr. Tanton's name in here. Are these estimates supposed to deal with—

Hon. Mr. Roberts: Mr. Tanton has retired.

Mr. Singer: Oh, I did not know that. And who has taken Mr. Tanton's place now?

Hon. Mr. Roberts: Mr. Richardson. I think Mr. Tanton retired a year or more ago.

Mr. Singer: Did the hon. Attorney-General, in his preliminary remarks, make any specific reference to the real estate branch?

Hon. Mr. Roberts: I mentioned it in my opening remarks. Is there anything in particular the hon. member would like to know?

Mr. Singer: Well, I suppose this is not the proper place to go into it. I would like to go into some substantial detail with Mr. Richardson and other officials of that branch as to how they function. I have tried to get at this a couple of times. Perhaps the hon. Attorney-General would have these people come before the committee on commissions and we could handle that then.

Hon. Mr. Roberts: I would be glad to do that.

Mr. Singer: The other question that I would like to address is this:

In the travelling expenses for last year—a very substantial amount—there is only one person here who seems to be departmental. Who are all the other people who have travelling expenses? I am comparing the list of people who had travelling expenses after their name, and the list of people who had salaries paid them.

Hon. Mr. Roberts: I thought my hon. friend was in his seat when I made the earlier statement, but I will repeat this again—at least part of it—because I think this answers him.

The department now has 26 inspectors on the road continuously, made up as follows:

Real estate inspectors, 7; credit union inspectors, 11; insurance company, loan and trust company inspectors, 7; insurance agents inspectors, 1.

Many inspectors who formerly were in the office part time are now on the road continuously throughout the province. Inspectors under the real estate branch, during their inspections, are chiefly concerned in ascertaining where the trust funds are, and so forth. I went on in that paragraph.

Mr. Singer: Why are they shown in public accounts as having their salaries paid? That is what I cannot follow.

Hon. Mr. Roberts: The salaries are in that large figure for salaries.

Mr. Singer: No, the other salaries.

Hon. Mr. Roberts: Oh, these are the other salaries of 212 people below \$6,000. These are all employees of the department.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I am quite sure all the hon. members

are interested in the great credit union movement. The hon. Attorney-General said there were 1,407 credit unions and 11 credit union inspectors.

I wonder if the hon. Attorney-General has the figures of the increase of credit unions over last year, and whether there has been any increase in the appointment of credit union adjusters or inspectors.

Hon. Mr. Roberts: The total—these figures come from the superintendent—as far as our own inspectors are concerned, goes up by another 4, as we have 4 branch men located permanently at 4 different parts of the province, in addition to these 11 who are travelling out of the central office.

Mr. Thomas: That is additional to the 11?

Hon. Mr. Roberts: Yes, but we have an arrangement with the league that they are assuming more and more responsibility of doing internal auditing themselves. From time to time we have discussions with them about this and, at the moment, it is the belief that the situation is well in hand. I sincerely hope so. You do not know about trouble until it blows up, but we do feel that this arrangement is working satisfactorily in the field of audit and inspection.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I wonder if I might direct a question to the hon. Attorney-General with respect to the inspectors who travel out of The Department of Insurance—real estate branch.

Hon. members may recall that, last year, I asked the qualifications required in the hiring of these inspectors; and I believe, at the time, the hon. Attorney-General advised me that there was not a set standard. In other words, he did not require them to be accountants. But he did require them to have reasonable ability which he felt would fit them to do this kind of work.

I am sorry I was not in my seat when the hon. Attorney-General made his preliminary remarks, but I understand that the general purpose of these inspectors is to check on the trust accounts generally of the real estate people throughout the province.

Is there any further duty which these inspectors are required to carry out, other than to check the trust accounts of the various brokers?

Hon. Mr. Roberts: Yes, in addition to that they would inquire into the complaints that may have come to their attention with respect to transactions and deals—to investigate to that extent.

Mr. R. C. Edwards: I am aware that they would investigate any complaints. I am assuming now the case of a broker who perhaps has not had a complaint. These people come in and check the books of the real estate men in the province, and it is my feeling, sir, that perhaps the department is not insisting on a fine enough standard in the hiring of these inspectors.

From personal experience I have noted that they do come into an office and they make very many requests which I would think are beyond the scope of these inspectors, and on which I feel that possibly they might not be qualified to advise business people.

For instance, in my own case, they came in and made several requests. I felt that they were beyond the scope of the Act—I could be wrong in that—and I asked to have these put in writing. A request did go back, and apparently a report was turned into the registrar. I received a letter but I did not receive any of these requests in writing.

Now it may be that they are reasonable, but I feel that if these people are going to go into business offices, and tell them how to run their business, that they should have some qualifications other than just being nice people.

I think that they should possibly be accountants if they are going to go in and check the records and tell people how they should keep their records in business offices. I wonder if the hon. Attorney-General would advise me whether or not it is the intention of his department to go beyond trust account records.

Hon. Mr. Roberts: Would the hon. member just repeat—did he ask a specific question?

Mr. R. C. Edwards: Yes. The question I asked was: It is the intention of The Department of the Attorney-General that these inspectors go beyond the sphere of checking the trust account in these various real estate offices?

Hon. Mr. Roberts: Well, I would add “and the manner in which they keep their records,” that is the sphere in which they are expected to operate. As I said, if some complaints are brought to their attention they work in that field. Is the hon. member suggesting they should go further, or that perhaps they are exceeding their authority? Perhaps he would give me an indication of what he means.

Mr. R. C. Edwards: Well, I thought I had indicated that I felt that possibly they were exceeding their authority. I thought I had

indicated that they do seem to come in, I believe, with every good intent. I do not for a moment suggest that they are not trying to do a job.

I am merely suggesting that, because of the lack of qualifications required in the hiring of these people, they are not able to properly tell people what is expected.

I am asking what the intent of the department is. Is it merely to check the trust account or is it to control these businesses? That is the question I am trying to get at. How far does the department wish to go in controlling the operation of the real estate business?

Hon. Mr. Roberts: As far as is possible. The department aims at a standard method of keeping records in the county, and that is the primary job for these people.

As to their experience and qualifications, I am told that there may be one or two who have been appointed recently but, generally speaking, it is a fairly experienced staff. Some of them have 6 years or more of experience. However, nobody or no group is necessarily perfect.

In other branches of my department, from time to time, seminars and courses have been arranged, and instructions given, and the latest methods introduced, and that sort of thing. I am going to suggest to the superintendent if there is anything along those lines that might help to get more efficient results, to certainly pay attention to it.

Mr. R. C. Edwards: Mr. Chairman, I do not want to pursue this unduly, but I am not getting an answer to my question.

Hon. Mr. Roberts: The hon. member is in a dual position. As a real estate man, if he has any particular complaint about an individual, let him take it up with the superintendent on a basis of that sort. If he is making charges that these fellows are meddling rather than doing their job, then that is another matter. If he wants to make that charge, I will have it looked into.

Mr. R. C. Edwards: Mr. Chairman, I respectfully submit, sir, that the superintendent is not in a position to convey the intent of this Act. The intent of this Act is the responsibility of a Minister, and the hon. Attorney-General is the man who should say what is intended by these inspectors. That is the question I am putting to the hon. Attorney-General.

Is it the intent of the hon. Attorney-General that these inspectors come in and

merely check the accounts of these people? Or is it his intent that they come in and go beyond checking the trust account of various businesses, and enter into the operation of the business itself? Now surely that question is clear, Mr. Chairman. I would think it is.

Hon. Mr. Roberts: The intent is they do the jobs for which they are hired, for which they are instructed, and for which the statute provides. If there is any complaint about their doing it in the hon. member's office, or any other office, let the superintendent know and it will be looked into.

Vote 901 agreed to.

Hon. Mr. Roberts moves that the committee do now rise and report a certain resolution, and ask leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report a certain resolution and asks for leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I know how the hon. member for London South (Mr. White) felt last night when he finally was given a chance to rise and reply on the speech from the Throne, because he had been waiting for quite a number of days. I was to follow him, so I am as anxious as he was to get up and speak to the hon. members of this Legislature.

Mr. Speaker, like many other hon. members who have spoken before me, I wish to add my congratulations to the hon. members of this government who have been elevated to the rank of hon. Ministers. It is, indeed, a high honour which the hon. Prime Minister (Mr. Frost) has bestowed upon them for their faithful duty to the party. May they enjoy success in their new field and may we continue to enjoy the good co-operation their hon. predecessors offered.

Last February 22, I had the esteemed privilege of making my first speech in this Ontario Legislature. At that time, I took the hon. members of this House on a geographical tour of the city of Windsor and the surrounding rural areas of the county of Essex.

I was critical of this government for not doing very much about succession duties in the province, and permitting our American

neighbours the use of their cars to a greater extent in going to and from their summer cottages and places of employment in Detroit. That, to me, is something that is certainly needed.

I would just like to read a short article that appears in the policy declaration of the Canadian chamber of commerce, when they met in Calgary in October. It reads:

CANADA AND UNITED STATES RELATIONS

An essential factor of international relations is mutual understanding on the part of the citizens involved. There exists between Canada and the United States the greatest international community of interest in the world today, providing at the same time the greatest opportunity for the demonstration of international goodwill.

For that relationship to remain static would be unfortunate, for it to deteriorate would be fatal to both countries and a blow to other free nations. International goodwill cannot be achieved unless we work steadily and constructively in its development.

I maintain, Mr. Speaker, that this House should do everything possible to maintain good relationships between the United States and Canada. I may say that I was certainly surprised to hear the hon. Minister of Agriculture (Mr. Goodfellow) some time ago in this House mention the fact that it would be good for Ontario if we were 2,000 miles away from the United States. I do not think that that is the attitude that this government should take.

I asked that the promises made by this government to the people of Windsor for years back be carried out—namely, the construction of a teachers' college, a provincial building and the highway No. 401 overpass for Ouellette avenue.

I had a right to ask for these. Hon. members will see why, if they examine the 1960 annual report of The Department of Public Works, and I do hope that the hon. members have had a chance to look at this report. I went through it from page to page to find out what had been done in 1960 for the Windsor area, and I may say that the only thing that was appropriated was some expenses for the institute of technology. However, I am very pleased to hear that, in 1961, the teachers' college is a thing that the province will embark upon. Again, I certainly want to congratulate The Department of Public Works for taking this attitude.

I also checked on the grants paid for provincial drainage in the county of Essex, and

again I want to say that your riding, Mr. Speaker—Essex South—has been very well taken care of. When I look at what has been done for Essex North, I find there is very little there, and for Windsor-Sandwich and Windsor-Walkerville, nothing at all.

Ten months after having brought to the attention of this House these requests of the citizens of Windsor, to help relieve the great ranks of the unemployed at that time, I have come back to report that our ranks of unemployed have not decreased, but have increased considerably since that time.

I wish to read a little article that appeared in the Windsor *Daily Star* of December 3. This was just a report for one week:

961 HIKE IN JOBLESS

Eighth Straight Week Rise in Unemployment

With registration of unemployed seeking seasonal benefits, the registered-for-work totalled 10,309—the highest level since August. The unemployment insurance commission reports that there are 7,406 men and 2,903 women registered for employment on December 1. This is the eighth successive week when there has been an increase in the registered-for-work total.

And I may say that last week the report again showed an additional increase.

Mr. Speaker, I doubt if there is in this province a municipality which has had such a continuous number of unemployed as Windsor. Since the Ford Motor Company moved a large part of its operations to Oakville, and also took along a large number of their feeder plants, Windsor has not recovered. If a municipality has been hard hit, this is it. And yet, what help have we received from our senior governments?

We of the city of Windsor have done everything possible. We have embarked on a redevelopment scheme with the help of the federal and provincial governments, but also at a great cost to the citizens of Windsor for years to come. I maintain if it had not been for the great expansion at Assumption university of Windsor, and the great expansion of the well-established plants in Windsor, then things would have been much darker than they are at the present time.

It seems, Mr. Speaker, that demands made by the citizens of Windsor upon the government fell on deaf ears. The people of Windsor are penalized for the way they voted in the last provincial election. And this occurred in a country and in a province where we pride ourselves on our democratic rights.

I wonder if, a year from now, I will have to report to this House that there is no progress. I beg this government, Mr. Speaker, to listen to the pleas of the people of Windsor. We need help, not welfare. Jobs are what the people of Windsor want, and more of them.

In my address last February, I made certain observations about education because this is my field of work. I did not lay the blame on the then newly-appointed hon. Minister (Mr. Robarts) nor on the hon. former Minister (Mr. Dunlop), but on the shoulders of the hon. leader of the government for failure to co-operate with the hon. previous Minister.

I want to say that there has been a marked improvement in this field. I know that the present hon. Minister has given serious consideration to the discussions brought out in the committee on education meetings of last year, as well as the numerous suggestions made by the hon. members of these committees. For this I want to commend him and his department. It is a step in the right direction.

However, I may say that conditions are still far from being perfect. I will leave, until the next session, some of these suggestions. It will be done in the light of constructive criticism and not otherwise.

Mr. Speaker, in the speech from the Throne of the last session, mention was made of some reorganization in The Department of Municipal Affairs. This was well received by all the municipalities, for it was needed indeed. I speak as one who was vitally interested in this, because I have had the honour of being an alderman of the city of Windsor for the past 10 years, and therefore I speak with some knowledge of municipal affairs.

I was more than pleased when the man chosen to be Deputy Minister was Mr. Lorne Cumming, because I had known Mr. Cumming as the former city solicitor of the city of Windsor. This was an excellent appointment.

However, what has happened since then? The changes did not go far enough. In the assistant Deputy Minister, Mr. J. W. P. Carter, we have a man who, to the hon. Prime Minister, is "my boy Jackie," and who is not too co-operative with the hon. Minister of Municipal Affairs (Mr. Warrender) and the Deputy Minister. In the hon. Minister we have a man who is more disinterested than interested.

I can quote remarks from the elected representatives of municipalities who have that

impression, also, because I have attended several municipal conventions when these remarks were made.

It has been brought to the attention of the hon. Minister that he should bring together the heads of the various boards and commissions which have come under his jurisdiction, especially the Ontario water resources commission and the Ontario municipal board. In short, he should now, after all this time, show some signs of leadership in the field. None is evident at present.

We, in the city of Windsor, have to face the reconstruction of our sewage system, the interceptor sewers, the connecting sewers and the building of two sewage disposal plants—one in the east end to take care of the town of Riverside, the township of Sandwich East and the east end of Windsor; one in the west end to service the township of Sandwich West and the west end of Windsor.

This is at an estimated outlay of \$25 million. So naturally we are going to do this over a space of 10 to 15 years. This past year we laid the plans, and now it has been approved to start the first phase, namely, sewer "G." This is in close proximity to the central part of the city—the most heavily populated area.

In order to have the Ontario water resources commission approve this project, we had to commit ourselves to start plans and also to start one of the sewage disposal plants. Sewer "G" alone amounts to \$1.8 million. The Ontario municipal board will not permit the city to spend more than \$2 million in one year in capital works projects.

I would like to know why the Ontario water resources commission should force us to embark on a project, such as a sewage disposal plant, when the Ontario municipal board says that we cannot spend more than \$2 million a year on capital works projects. And, again, sewers are not the only services a municipality must give to its residents. There are local improvements which amount to between \$250,000 and \$300,000, let alone any resurfacing programme, the maintenance of streets, sidewalks and curbs. Then there are the other capital works, such as aid to hospitals and other municipal buildings.

Mr. Speaker, I maintain that the hon. Minister should get these commissions and boards together and have an understanding of what principle is to be followed. There are too many sergeants and not enough generals.

To prove further that there is interference from The Department of Municipal Affairs, I would like to point out that over two years

ago the Ontario municipal association had prepared a brief on amendments to The Municipal Act, asking that municipalities having more than 100,000 people adopt either the board of control form of government, or the council-manager form of administration. The brief, I am told, was presented by officials of the municipal association to the government.

Mr. Carter was to present this to the cabinet. This he did not do. He told members of the association that the cabinet did not want to listen to it. However, later when the association questioned hon. members of the cabinet if Mr. Carter had presented it to the cabinet, they were told that Mr. Carter had not presented it at all.

I maintain that if Mr. Carter had done his work, the government would have presented the necessary amendment to the legislation. The result would have been this—that the city of London, after large annexation last spring, could have proceeded, after the proper legislation had been enacted, to have the council-manager form of government and not be forced to accept the board of control form of government under the present legislation.

This is something I know that the city of London wanted to embark upon, just like we have done in the city of Windsor. However, because of the bungling of one official of this department, they were forced into the present legislation.

I maintain that this is another instance of bungling within the department itself. I question the experience of Mr. Carter in municipal affairs. He has only worked within the confines of this department.

I had wanted to dwell on the Eastview affair as well as Belleville, York township and Arnprior, and Vaughan township, but my hon. leader (Mr. Wintermeyer) has spoken to quite an extent on this, and I fully agree with the comments that he has made. But I want to emphasize that this government has an obligation, a moral obligation, to act on these actions of certain municipalities.

The Department of Municipal Affairs cannot always take the attitude of *laissez-faire*. If an individual steals, breaks a traffic violation, attacks or mistreats others persons he is prosecuted in open courts. There have been infractions of laws by these municipalities and action must be taken by The Department of Municipal Affairs in these cases.

If not, then I say that the government is encouraging such action. The enforcement of law will be at a very low ebb because people will say: "If the government officials can get away with it, why cannot we?"

Mr. Speaker, in the fifteenth point of the speech from the Throne it states:

In recognition of the services rendered by tourist associations, matching grants will be made to approved regional tourists' organizations to encourage the more effective development and promotion of Ontario's tourist industry.

May I say that this point should be carried out extensively because, at the present, more people from Ontario are going to the United States for their vacations than there are Americans coming here. Our advertising programme in this field has failed to quite an extent. The province of Quebec has far surpassed us in this category. The advertising should be made in dailies across the United States and overseas.

We have the attraction, the climate, features and locations to sell. Let us use it to its greatest advantage. Municipalities have tourist and convention bureaus who are operating on a meagre budget. Assistance such as proposed would be a great help. This could be a major industry to certain municipalities, but the tourist industry is one that we have not recognized to its fullest capacity.

Mr. Speaker, I was always proud to say that I live in a democracy where the people have the right to express their approval or disapproval of their representatives in government at the ballot box. However, on Tuesday, November 29, when the hon. Prime Minister criticized the hon. leader of the Opposition (Mr. Wintermeyer) and his hon. colleagues for their criticisms of the government, then I had doubts of democracy.

Must we take from these remarks of the hon. Prime Minister that his government, his hon. Ministers, and the party should not be told when their actions are wrong? Should we say that they are perfect? I have always been led to believe that humans can be wrong, and are wrong very often; that only the Supreme Being is perfect.

If we have reached the point where the hon. Prime Minister and his hon. Ministers are above reproach, then I say we are not living in a democracy, but under a dictatorship. Surely, Mr. Speaker, the people of this province have some intelligence, have their own opinions, and can formulate ideas and can select their representatives. We, in the Opposition, have been elected by the voting people. We have a right to express our views, the views of the people who put us in office.

If we were to agree always and fully with the hon. Prime Minister, then we would not be expressing the views of the people who elected us. I say to the hon. Prime Minister,

and to his hon. Ministers and to the government on the other side, let them have respect for us also.

As head of the government of the province, he represents all the people irrespective of the parties. His hon. Ministers must do likewise. The demands we make on the government are the demands of the people we represent. It is the duty of the government to do all in their power to fulfill these requests when possible, and that the people not be refused because they voted against the government.

Mr. Speaker, I am a man who believes in the dignity of man. I want to serve my fellow-man. I would not be doing justice to the people who elected me to this office if I were not to express their views.

I came here at the last session and made certain requests on behalf of my people. They were requests made by my predecessor who had, at that time, sat on the side of the government. They had been made for several years. These are the ones that I mentioned previously.

May I please urge this government to consider them and to lighten the unemployment problem in Windsor, and give simple justice to all who live there.

Windsor, I must remind you, existed prior to 1943 and prior to 1959. Heavy-handed government will not deter us, rather it will excite us. So much more good will can be accomplished if this government listens to the people of Windsor and its elected representatives.

Thank you very much.

Mr. G. Lavergne (Russell): Mr. Speaker, in rising today, sir, my first words would be words of appreciation and congratulations to you. I express appreciation for the assistance you have afforded all of the hon. members of this House, regardless of which political affiliation they may have. And I offer congratulations, sir, because I do know that, in following in the steps of the hon. former Speaker (Mr. Downer), you have a tremendous job and you are proving that you can amply fill his shoes. You are certainly adding dignity to that high and sometimes arduous position that you hold, sir.

To the Deputy Speaker (Mr. W. E. Johnston) I would like to offer my words of congratulation. He is an old friend of long standing and I do know that one would have to shop around quite a lot to get a person to fill the job better than he can. To him I wish great success in this position.

Mr. Speaker, to the hon. mover (Mr.

Gomme) and hon. seconder (Mr. Evans) of the motion for a reply to the Throne speech, I would like to add my words of congratulation for a job well done. I know many hon. members who have stood before me have given their words of congratulation and I would like to add mine.

To the two new hon. members who were elected to this House—one who took part and one who for some unexplainable reason was unable to take part in the debates at the beginning—to these two hon. members I would like to say congratulations. I would like to say that as long as this party and this government continue to attract men of that calibre to their standards, then it augurs well for the party and for the province of Ontario.

I would like also to congratulate all the hon. members who were elevated to their high posts, both in the cabinet and on the commission. Perhaps I will say to the hon. Prime Minister (Mr. Frost) there is no doubt that looking around the rank and file of the Progressive-Conservative party—excluding myself, of course—his choice must have been a difficult one to make, because he could have perhaps just put a blindfold on and picked any one and he would have done a good job.

Mr. R. M. Whicher (Bruce): That is what he did.

Mr. Lavergne: Would the hon. members of my fan club please sit quiet for a few minutes? I have my cheering club, my fan club, across there, Mr. Speaker.

Interjection by an hon. member.

Mr. Lavergne: We will go to Eastview pretty soon. I will take the hon. member on a trip down to Eastview with me.

Mr. D. C. MacDonald (York South): The hon. member will not control the fan club here like he did back home.

Mr. Lavergne: There is that strong, silent hon. member for York South; the man who shies away from publicity and headlines. In fact, I was very surprised to see his name in the paper, the hon. member who is so camera shy.

But getting on, Mr. Speaker, the space of a year brings both its sorrows and its joys.

I would like to say that this House did lose two very great men in the persons of the late George Johnston from Simcoe Centre and the late Robert Herbert.

I knew the late George Johnston as a very gracious person, Mr. Speaker, and one whose advice I can assure you I valued at all times.

He was the one who, when I entered this House, took me in tow and assisted me greatly, and for that I shall forever be grateful.

The late Robert Herbert was a younger man with ability and vigour in his work on behalf of his constituents. In both cases, sir, I am sure that their loss will be felt, not only in their own family circles but in this House. I would like to add my words of deepest sympathy to both those families.

Mr. Speaker, I have read through the speech from the Throne and I would like to touch on it for a few minutes. To me it is a great document that augurs well for this province.

It is a document that gives and brings to the people a great confidence in this government of ours. I would like to say that just as soon as all these things are implemented, this province of ours will be making giant steps forward as it has done in the past under the able leadership of the hon. Prime Minister.

Mr. Speaker, in 1956 the water resources commission was formed, and I would like to say they are doing a wonderful job in this province. They are aiding and assisting municipalities which perhaps could not get the assistance any other way. It is a great thing for this province that such a committee was formed.

Our provincial parks, Mr. Speaker, are second to none. And our roadside camps and places where travellers can stop along these great arteries that have been constructed by this government are second to none. These camps are spoken of highly by all who come across the border from the south. For this we are indeed grateful.

The Department of Health is making giant steps in the matter of the mental health programme. I would like to say this, and perhaps we could put this on record, that we all know the backward look that the former government had in that which pertains to the mentally ill of this province.

We all know of the Smiths Falls fiasco when they sold the lumber that had been put there to build a home.

This government, Mr. Speaker, has had to pick up the loose ends—and there were a lot of loose ends when the Liberal government went out, I assure you—and start getting on the road to recovery. Under the able leadership of the hon. Prime Minister, not only has it made a great recovery but it is in a very, very healthy position today and will continue to be so for many years to come.

Mr. Speaker, one could go on into every phase of life, and every department in this

government, and great steps and great planning have taken place in those various departments.

I think of The Department of Public Works and the great expansion it is making. We have The Department of Mines and what it is doing for this province.

Mr. MacDonald: What about The Department of Municipal Affairs? Does the hon. member think it is doing a good job?

Mr. Laverne: I will come around to municipal affairs. Do not be in such a hurry.

Then, Mr. Speaker, we come to The Department of Highways that affects the people of my area greatly, and I go back to the days when we had that great family, the Liberal party in power in Ottawa, and the Liberal party in power here in Ontario. There was a great family compact.

Mr. Speaker, that great family compact down our way kept the riding of Russell in such a state that, frankly, one had to take a week to travel from the interior of Russell to one or two of the paved roads they had connecting with the main highways. They made great promises in those days, Mr. Speaker. That was their policy.

The Department of Highways in those days took over all those county roads. There was a great thing. They took over all the county roads and then left them as they were. And when this government came in they had to get to work and get down to cases and do the job that the Liberals had promised to do in years gone by.

Now, Mr. Speaker, one can travel throughout the province of Ontario and go rolling along on these paved arteries. And down in our area, I do say this—and this is for the benefit of the hon. Minister of Highways (Mr. Cass)—we do expect more, we will get more, but they are doing a wonderful job. This Queensway that bisects the city of Ottawa and touches down through the various ridings in our area, and joins up with the trans-Canada highway at Green's creek—approximately 5 miles from Ottawa—is a work of wonder and to me a great tribute to the engineering abilities of the people that work in that department.

Mr. Speaker, I say this in a kindly way. I read some of the speeches of my hon. friends opposite and, in reading those speeches, sir, I want to say that in one particular case I was greatly flattered. The reason I say that, Mr. Speaker, is that one of the hon. members opposite, speaking on the Throne debate, spoke for several minutes, perhaps, on those

things that were vital and important in this province. Then immediately, Mr. Speaker, he turned away from that, perhaps with apology, and said, "Now, let us speak about Eastview."

Now, Mr. Speaker, I want to say this, and I say it in all sincerity, that perhaps this is the first time that I have had an opportunity of telling my story. If the hon. members will bear with me, then I will endeavour to place before the hon. members of this House the story of Eastview.

I, Mr. Speaker, have been a member of the council for Eastview for the past 16 years. I served 12 of those years as chief magistrate for the municipality of Eastview. And when the council I headed in those days became the representatives of the people in Eastview, we had a population around the 9,000 mark. Today, Mr. Speaker, I believe that the last census taken in the municipality showed it very close to 24,000.

We had, in those days, Mr. Speaker, 3 paved roads. I believe one was the Montreal road, which was called the King's highway in those days; one was the McArthur road and the other was Russell road. I believe they were suburban roads, a part of the suburban commission. There may have been one or two secondary roads that had a hard surface, but nothing to speak of.

Today, Mr. Speaker, one can travel throughout the municipality of Eastview and travel there, sir, by car along paved streets. I believe we are a municipality that has approximately 90 per cent of all streets paved, or hard surfaced. We had hoped to complete them this year until the inquiry took place and halted a lot of the work.

I am trying to give hon. members a picture of Eastview as it was, and Eastview as it is today. Perhaps it would be beneficial to some hon. members to come down and travel the streets of Eastview. If they do not want to be seen in my company, sir, I am sure they will find someone down there who would be happy to take them around, along those fully paved streets, by those new subdivisions and those modern homes—the great community we have today.

Mr. Speaker, I am happy that at least I played a little part in the rise of Eastview. And before someone says, "and its fall," I can assure hon. members that Eastview has not fallen and that Eastview will never fall.

Now, Mr. Speaker, I do want to say here that it was thanks to the co-operation of the provincial government, and generosity by way of grants, that our municipality was able to forge ahead. For that, we are very grateful. I, personally, am grateful for that, sir.

Our schools in the municipality of Eastview are second to none. We have one of the nicest and most modern high schools in the area.

Mr. Speaker, I have read the headlines and I would like to refer to an hon. friend of mine who sits in the back row opposite. He made some remarks about me and about Eastview. Due to the fact that my hon. friend is not in his seat, I will refrain from saying anything in rebuttal for the present.

As for my hon. friend—that strong, silent man from York South who in his speech said his party stands for the greatest good for the greatest number, perhaps when he is coming down to visit his in-laws in my area, he would stop in and we would show him what we have done for the people of Eastview. We would show him the greatest good that we have done for the greatest number.

Mr. MacDonald: I stepped into the inquiry to ask what the hon. member had done to the people of Eastview.

Mr. Lavergne: Yes, my hon. friend was an overnight visitor down there. He did walk into the inquiry. I happened to be close by and I heard one of the men from the rural area in Russell, who just happened to drop in, ask: "Are you not Mr. So-and-so?" He said, "Yes." The man said: "Where is your shovel?" My hon. friend said: "What shovel?" And he said: "You know you can dig dirt better with a shovel than you can with your tongue."

And that was the last I saw of my hon. friend from York South.

Mr. MacDonald: Mr. Speaker, on a matter of privilege. I attended and nobody ever made any comment like that. One man did rise and say, "How come you are here among such a group of Tories?" I can recall that, but no statement such as this reference was made to me; this is a figment of imagination.

Mr. Lavergne: Mr. Speaker, my hon. friend has had his say; I have had mine, and what I say is what I heard and what I was told. I would rather believe that than believe my hon. friend from York South.

Mr. MacDonald: On the basis of some of the evidence of some of the hon. member's friends, it is just about as reliable.

Mr. Lavergne: Mr. Speaker, as for my hon. friend from York South, there is no doubt that we will have an opportunity to talk together at a later time. You know I always said he was a very affable person; very

affable. He has a wonderful, intelligent mind if he would only put it to good use. That is something that cannot be taken away from him. But perhaps just as soon as he disassociates himself from what he is doing now, he will revert back to being a pretty regular guy. With that I will leave him, Mr. Speaker.

Where I felt greatly honoured was when my hon. friend from Waterloo North, the hon. leader of Her Majesty's loyal Opposition (Mr. Wintermeyer), spoke for a short time on matters that were pertinent to this great province of ours, then diverted all his time to myself and to the municipality of Eastview. I felt honoured about that because, to me, when hon. members in high office such as that take so much time in my respect, I feel, sir, that I have hit the major league.

Mr. Speaker, as for my hon. friend—perhaps I should always refer to my friend as the hon. leader of Her Majesty's loyal Opposition—I believe some of his words could be likened or said in this way: For the past 8 years Eastview was poorly planned; it had poor direction—very unbusinesslike.

Then, Mr. Speaker, he rehashed the bill we had in this House; that famous private bill of Eastview. He could, if he had wanted to, have got the information, and not taken it from the top brass of his party down in Ottawa, where he was getting his directions, when the clarion call came down to "beat Laverne down there."

Interjection by an hon. member.

Mr. Laverne: Any time the hon. member is tired there is a door here and there are no guards at it keeping him inside. He will have his turn to empty this House.

Mr. Speaker, the hon. leader of the Opposition sat here at long distance and went over the private bill. He could have given a fairly respectable picture had he wanted to. In his words it was all poor management.

Mr. Speaker, perhaps the story can be told. I have told it before but I would like to tell it to this House, that in that private bill we had done some major work in our municipality. I would say that we had paved 70 per cent or more of our streets and that the people wanted the work done that we were getting on with. Perhaps, sir, I was politically indiscreet in not having first obtained the sanction of the municipal board before doing the work.

The hon. leader of the Opposition and many of his friends tried to sow in the minds of the people of Ontario and the people of Eastview, the seeds of doubt, not only the

seeds of doubt but the seeds of suspicion. I was greatly disappointed in the hon. leader of the Opposition because I never thought that he was of that particular—

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, on a point of privilege I will make this statement. I took great pains, and those hon. members of the House who attended on that particular day, which I believe was November 29, will recall I took great pains to avoid any personal recriminations of the type the hon. member for Russell is talking about now. I said then the community was badly managed, that I admit. I said that the officials had violated the provisions of the Act, that I admit. I did take pains, however, to say likewise that it is not my position to judge the conscience of any man, and one of my criticisms, Mr. Speaker, was that The Department of Municipal Affairs should have facilities to bring these matters to public attention so that men would not be unfairly judged.

Mr. Speaker, that was my position and whether or not the hon. member for Russell believes it, is of course for him to decide. But I did not and do not now intend to judge the hon. member—his morals, his intentions or his conscience—or to make any insinuation against his person whatsoever. The things I did say I will repeat again, bad management and violation of the Act. That I think it was my obligation to say, Mr. Speaker.

Mr. Laverne: Mr. Speaker, as I say, I do not propose to get into a hassle with the hon. leader of the Opposition, but I do want to say that when he says he did not want to make any personal references or inferences, then perhaps he should read some of the headlines that broke down our way, quoting the hon. leader of the Opposition. I never read where he took any newspaper to task about it.

What the hon. leader of the Opposition is offering today, sir, is like someone cutting someone's throat and bringing a piece of adhesive tape to stop the bleeding.

Mr. Wintermeyer: It might be wise, Mr. Speaker, for the hon. member to read *Hansard*.

Hon. L. M. Frost (Prime Minister): It was an election speech, that is what it was. That is what I said at the time.

Mr. MacDonald: What does the hon. Prime Minister call this? Is this not an election speech?

Hon. Mr. Frost: No, this is a man's defence.

Mr. Lavergne: Mr. Speaker, I want to say that this is far from an election speech. It is just that I do want to place my position before the people of this province and before the hon. members of this House.

To go back to where I was when the hon. leader of the Opposition rose to his feet, I want to say that in what we had done, some provisions of the Act were circumvented. But there are provisions, Mr. Speaker, where legislation is passed and sanction is given to projects after they have been completed.

Now, I accept what the hon. leader of the Opposition says; that he intended nothing personal, but, on the other hand, I will say that many of his people down our way were endeavouring to sow the seeds of suspicion. They were endeavouring to say that we had absconded with \$2 million.

I want to assure you, Mr. Speaker, that if I ever had \$2 million I would not be here speaking in defence of myself. I would probably be down in Mexico some place.

Mr. MacDonald: Just what I thought.

Mr. Lavergne: Mr. Speaker, there was poured into these public works the efforts of the people who co-operated. The people wanted this work, the people asked for it and we gave them what they asked for.

We came to the government afterwards, Mr. Speaker, and the reason was very plain. I do not profess to be a financial wizard, but I do know this, that the people whom we dealt with, the bonding people, the people who usually bought our debentures, told us not to sell the debentures at that time because the money market was in a very precarious position.

We heeded the advice, Mr. Speaker, of a man who knew something about money matters, and in doing that, sir, we had to carry the debt over from year to year.

We were borrowing the money from the bank and this, as my hon. friend says, is contrary to a certain Act. It could be, but that was done for the people because we were saving them money. If we had sold our debentures at that time instead of paying 5.5 per cent or 4.75 per cent, we would have had to pay approximately 6 per cent and sell the debentures, perhaps, at a loss of from \$8 to \$10 per \$100. We would have lost on the sale of the debentures in those days anywhere from \$8 to \$10 for every \$100 bond and then paid, perhaps, 6 per cent

interest. We were getting it from the bank at a much lower interest.

Now, sir, if that is mismanagement, I plead guilty to that. But we actually saved thousands of dollars for the people of Eastview. I have no apology to make, for I have no regrets, and I am sure that, in the final analysis, when the curtain is rung down on this great drama, that the people will know and their voice will be heard.

To go further into the matter of the inquiry, perhaps where I should plead guilty is to this, sir. I should plead guilty to the fact that I did not avail myself of the capable services that The Department of Municipal Affairs has. But, at that time, we were going ahead in such great strides that we were very busy.

I, personally—and our council—should have gone to The Department of Municipal Affairs for those services that were available. I do say, using the phrase of my hon. friend, that I was politically indiscreet.

My hon. friend also said he did not want to touch on anything personal, but he spoke about certain "goings-on" in the municipality—about the garbage collection. I wonder if my hon. friend ever had any municipal experience. Whether he had, I do not know, but if he had then perhaps he knows something about the trials and tribulations of running a municipality.

He speaks about a contract being given out for the sanitation department and that it was done without any approval. That is far from the truth, Mr. Speaker. That was discussed in council, the public knew all about it.

In our municipality we have one of the best sanitation departments going. It is giving wonderful service. What my hon. friend forgets to tell the House is that there has been an increase because there has been a great influx of citizens who have moved into our municipality.

There are dozens of houses going up every week of the month in our area. Therefore it is on a per family basis. When one looks around in the outlying municipalities surrounding us, and makes inquiries, he will realize that we have one of the lowest costs on a per capita or per family basis, in our particular area.

My hon. friend could have told the House, if he had wanted to go a little deeper, that the price went up because we had moved the municipal dump, if you want to call it that, from practically the centre of the municipality. The people wanted that moved and it was done. Now instead of a half-mile round trip to cart away the refuse, Mr. Speaker,

they forget to say that the collectors have to drive 27 miles.

These are some of the things that were brought out. But for the information of my hon. friend, I looked up some figures. I stand to be corrected and I am sure if I am wrong I am going to be corrected, but we speak about the great mismanagement of Eastview.

Mr. Speaker, in Eastview we have a population of close to 24,000. Our new assessment is approximately \$24 million. With all this great debt that we had accumulated, and our private bill and everything included, we have a per capita tax levy of \$44.73.

Perhaps if the hon. member for Sudbury (Mr. Sopha) was here I could draw his attention to a certain fact. This is no reflection on any municipality, but it is just to prove that even under mismanagement, sometimes we can come up with something pretty good.

Up in Sudbury their per capita tax levy is \$85.82 and they have a population of 48,000 with an assessment of \$56 million.

In Kitchener I believe they have a population in round figures of approximately 66,000. I may be wrong on that but I think they have an assessment of \$122 million. Their per capita tax levy is \$100.47, and Waterloo has a population I believe of about 18,000 or 19,000. Their assessment I believe is around \$40 million, and they have a per capita tax levy of \$104.75.

Something that we should be concerned about in a municipality is its per capita debenture debt. In Eastview we have a per capita debenture debt of approximately \$96.48. That is our funded debt. In Sudbury they have a per capita debenture debt of \$128.03. In Kitchener they have a per capita debenture debt of some \$326, and in Waterloo they have a per capita debenture debt of some \$282.

Mr. Speaker, I feel that if Eastview can show one of the lowest per capita tax levies in the province of Ontario of any municipality with a population of 5,000 or over, and it still has one of the lowest per capita debenture debts, then, I say that is doing pretty good under mismanagement.

I just wanted to put that on record, sir.

Perhaps my hon. friend will say I did not read it in *Hansard*. I want to apologize if I did not, but I did read it in our local newspapers. And I heard no denial or any request for them to take back the statement. But my hon. friend across, the leader of Her Majesty's loyal Opposition, apparently heard his hon. colleague speaking, and of course it is

all tied in with the Eastview story. These were the headlines in the local papers, and they played it up as if he was making direct references to me.

I will accept what he said at the beginning that he was not referring to me, Mr. Speaker. But apparently he had asked—and I stand to be corrected—in this House that legislation should be passed to deal with competence or incompetence. That was the headline and it said, "The Eastview Story."

There is no doubt that they tried to tie in together what my hon. friend across was trying to put across to the people at the time of an election down in Eastview—that he was questioning my competence. This was the story in our own local newspapers and they were headlines.

Mr. Speaker, as I say, this is the first time I have had the opportunity of speaking in the House, and perhaps my hon. friend across the House—the leader of Her Majesty's loyal Opposition—will bear with me when I say a few words about competence or incompetence.

Now, to my mind—and I am only a layman, Mr. Speaker—when anyone gets up and asks that legislation be passed whereby this government, or any government, is going to say that a person has to have a BA, or a person has to have some letters after his name, or a person cannot be a labourer, to run for office or to be head of any municipality, as soon as any government would start to legislate in that manner, I would say that democracy is going for quite a ride, sir, and that—

An hon. member: Who said that?

Mr. Laverne: Now, if my hon. friend wants to speak, if he gets to his feet, I will just sit down and it will give me a rest.

Interjections by several hon. members.

Mr. Speaker: Order, order!

Mr. Laverne: Is my fan club through for a few minutes?

Mr. Speaker, I am serious about that—and my answer is this—and I want to be kind about this. Mr. Speaker, I do hope my hon. friend will accept this because he did not refute it, and I read that piece in *Hansard*; those are the words or very like them. About legislating on incompetence—

Mr. Wintermeyer: Read it, read it. What page?

Mr. Laverne: I said at that time, and it appeared in the newspaper, and I make no

apology for it: "If that man, the hon. leader of the Opposition, did say that that legislation should be passed in that way, to me it was the height of stupidity." I said that and it appeared in the newspaper.

Mr. Speaker, I have to take that back, frankly. I have to take it back because just the other evening I sat here and I saw the height of stupidity reached when a man got up and voted against his own motion—that really hit the top.

Mr. Wintermeyer: I will take that in the spirit in which it is offered.

Mr. Lavergne: I said I hoped he would accept it. I am offering this in a kindly way, and I want my hon. friend over there to accept it in that sense, because I had to sit down home while I was running an election and perhaps—would he want me to tell him the results of that election, or does he know them?

Frankly, Mr. Speaker, he has got me all excited, and I am losing my notes.

That is part of the story, and I do hope I will have an opportunity at a later date to delve into it more deeply. But I want to say that, down in our municipality, they got full value for every dollar spent. We were criticized for not having had the services of all the professional men we should have had around us; we were accused of having lost thousands of dollars.

If hon. members want to take it figuratively then, yes, there was some talk about selling land to the school board. I would like to put that straight, and I would like to put it on record here, Mr. Speaker, and it was like this.

I wonder what my hon. friend would do in the same position; perhaps he would have acted much in the same way as we did.

We had land that was owned by the municipality and was vested in the people of Eastview. That land was adjacent to a school. This happened in 3 different instances. We sold that land for \$1 a lot to the school board—that was to two separate boards. We sold land to the public school, prior to that, at a very reduced rate. We did that because we treated all the schools alike, and we were trying to assist the schools to build and to get along.

In my humble opinion, and I am not a mathematical genius and I am not a lawyer, perhaps we could have sold those lots in those days for about \$400—and we sold 6 or 7 of them. There would have been \$3,000 instead of \$6 or \$7—yes, figuratively speaking, one could say we lost thousands of dollars

for the municipalities but we gave it to the school board.

It was a matter of, when all the school boards were treated the same, taking it out of one pocket and putting it into the other.

If that is what they speak about as losing thousands of dollars for the municipality, in this particular instance, well then, there is your few thousand dollars.

My hon. friend speaks—and, as I say, he is speaking from long-range—about a piece of land that was sold for \$1,000 to a Mr. Bruny. That land was sold because the people in that particular area used it for nothing but a dumping place. It was a low-lying swampy piece of land, full of rocks and brush, and the people in that particular area wanted it cleaned up. This was done and this land was sold for \$1,000, and perhaps my hon. friend—I do not know too much about The Municipal Act but I do know that if a piece of land is—

Mr. MacDonald: That is certain.

Mr. Lavergne: There is the silent hon. member again. I wish he would lift his head up and not mumble in his beard.

That land was sold for a price that we thought was right. My hon. friend says there was no appraisal—the appraisal was done by the assessment commissioner, Mr. Speaker. And, in the ledgers of the municipality, assessed prices were placed on all those lands, and, in fact, that was sold at a higher price than it was assessed.

It was nothing but a piece of land that was landlocked on 3 sides, Mr. Speaker. There is the Roman Catholic cemetery on one side of it; there is the Beechwood cemetery that flanks it on the other, and then there is the other property that shuts it right off with only a small frontage going in, though it is fairly large at the back.

A man came and said this: "I would have offered six thousand." He said that several months after the home was built on it. After there were thousands of dollars poured into the land to reclaim it, then he said he would have given \$6,000.

Mr. MacDonald: The hon. member did not give me a chance.

Mr. Lavergne: Oh, listen, why does not my hon. friend give my ears a little rest? I am going to tell you this, Mr. Speaker, that if anybody in Toronto ever wants to get an appraiser or a man who is going to sell land for them, get that appraiser that came down to speak for this group. Because I am telling you, that when he takes a piece of land that is 100 feet deep and approximately 70 feet

frontage, and says that that piece of land is worth \$13,000 to \$15,000, it is one of the most ridiculous statements that ever could be made. There was a ditch bisecting that piece of land and in the same area a man bought 9 lots for \$1,000.

Frankly the papers were out to sink Lavergne and they sank him, I can assure you.

But, Mr. Speaker, that same person was brought in to look at another piece of property right in the centre. It was a piece of property that was 4 times the size, with a huge building on it, and he said the value of that would be \$22,000. But if one could get \$15,000 for a piece of land such as that at the time I am talking about it would be miraculous, Mr. Speaker.

Now, this is the story of the land sales. They say land was sold, Mr. Speaker. Sure, land was sold to men of the armed services, to men who came back from overseas. Mr. Speaker, men who came back from overseas got land for \$1 when we were building up the municipality. They had gone overseas and they came back and the lots were sold to them for \$1, providing they were going to build there. Perhaps that is against the law, but I am going to say not against the moral law, Mr. Speaker. It is one of the finest things that could be done for these people who went overseas and who were fortunate enough to come back. We were glad to help them and give them a head start.

Now, this is the stuff that they talk about. Yes, there were lots sold in that way but the people of Eastview, Mr. Speaker, wanted it that way. The people of Eastview bought this and the municipality has been built up and now, sir, we have a wonderful municipality down in Eastview. And this is part of that story.

As we always say, we listen to the voice. I listened to it, I have no regrets, sir. I have no apologies to make for what happened. The people who wanted to go out—50 per cent of the people did not vote—went out and they have spoken. And I want to say, perhaps, for the information of my hon. friend across there, that there were two great Liberals who sat with me on the council and, of course, we all went down in defeat there. But that is just for his own information.

Now, Mr. Speaker, I say that in Eastview everything that was done was done for the people of Eastview and done for the municipality. We did not, as we have been criticized for not doing, retain the services of these professional men. It was recom-

mended that we should have had at least 4 of them. And I will say this, Mr. Speaker, that these 4 men over a period of 12 years, would have cost us \$480,000 in wages. I am not saying that, perhaps, that would not have been a good thing, but what we were trying to do was to put that money to streets. Now they say that about \$1,700 could not be found. Twelve hundred dollars of that was used to help the poor people down there who were not entitled to it, according to the letter of the law, but we did not see them stuck in any way.

I want to say this, that if having these professional men over the last 12 years would have cost the municipality \$480,000, during that time we have not spent \$80,000 because we tried to do the work for the people of Eastview, Mr. Speaker.

Now, I am not a mathematical genius either, but we have spent about \$80,000 in these services instead of \$480,000. So instead of losing any money we have saved \$400,000 for Eastview. They say if we had spent the \$480,000—and when I say “they”, I am speaking about my critics down home—then perhaps we would have this \$1,700. And they said, “Perhaps your name would not have been dragged around in the mud, along with that of some of the good families of Eastview.”

I think that anyone who is working on behalf of the people, and anybody who has at heart the welfare of the people, will take a chance on getting his name dirtied a little. Perhaps he will take a chance on being accused of not being able to find \$1,700. But, I know we can find it and, in fact, I have told the story a thousand times. I think that they would take a chance of being accused of that to save \$400,000 for the people they are working for, Mr. Speaker, and for that I apologize in no way.

For that I have no regrets, other than, perhaps, to name some of these municipal employees who, like our civil servants, have not the opportunity of getting up and speaking in public like we have. It is unfortunate that some of their names were bandied around and dragged around in the dirt.

But you know this, Mr. Speaker, there are a lot of people who like playing in the dirt and when they get down there it gets pretty muddy, I can assure you.

I say this, Mr. Speaker, that we saved for our municipality \$400,000 instead of losing money for the municipality.

My hon. friend spoke about me in Eastview, and when he says now that he said nothing personal about it—well—he had to

associate me not only personally but directly and right in the centre of Eastview. When he speaks about the incapacities or capabilities of any person, then there is the old story that people who live in glass houses should not throw stones. And we all know this too.

I am usually a very charitable person, sir, and I think of St. Paul's words to the Corinthians when he said:

Though I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass, or a tinkling cymbal.

And further on, I believe, he did say this:

Now there remain but these three: faith, hope and charity, and the greatest of these is charity.

Mr. Speaker, I do believe in being charitable, not only in the sense of money but in actions and in words. But when anyone starts to criticize another person about his ability or incapacities or anything else, then perhaps one should think about himself.

I sat in this House, Mr. Speaker, when a great debate was going on. My hon. friend across sat in his seat and did not say a word about certain transactions that had gone on, other than at a time that it appeared in the *Toronto Telegram*—

When he was asked about these transactions he said: "Oh, my heavens, I will have to think about that, and I will call you back when I think about it." That was his famous stock deal, sir.

My hon. friend denied on several occasions that he had anything to do with stock, Mr. Speaker, and I do want to be as charitable as I can possibly be in this. He sat there while this was going on and never said anything about it until he got into the position where he had to say something. I remember this because it was in the dying moments of the day's sitting when the hon. Prime Minister, I believe, had just risen to his feet to move the adjournment of this House. Then my hon. friend from Waterloo North jumped to his feet and said: "Mr. Speaker, I have spoken to you about this, and I want to read a prepared statement."

Of course the hon. Prime Minister, who does bow to these wishes on more than one occasion, sat down and he was given the opportunity.

I am going to try to be as charitable, and as precise as possible in what was said. When he was given that privilege he rose slowly to his feet and this is what he said, in essence: "I want today to make a great

public confession. I want to bare my soul and to purge my soul of all my political sins for all to see." Those were great words, sir. In effect this is what he wanted to do.

Mr. Wintermeyer: Mr. Speaker, I am prepared to allow this hon. member to comment just as freely as he wishes. We all know that the statement that I made is in *Hansard*. Read it. It is available to the hon. member—it is all he has to do. Certainly I did not use the text and phraseology that he is now committing me to. If he wants to be charitable and fair, then it is a very simple matter to read exactly the words that I used at that time. I have to stand by them and I will stand by them.

Mr. Lavergne: Perhaps my words are going to be a little bit better, just have patience.

An hon. member: He has used the Bible, now he wants to use the dagger.

Mr. Lavergne: The reference to the Bible and the dagger would fit some of the hon. members over there. Are the hon. members through cheering me over there for a few minutes?

Now, Mr. Speaker, after rising to his feet this is what he said, and he did want to tell all, and he definitely wanted to purge his soul of all his political sins at that time, and I think it was a great thing. But he said this, after denying, mind you—at least it had appeared in the papers that he had denied ever receiving any tip or any hot tip or anything like that—then—

Mr. Wintermeyer: Mr. Speaker, on a matter of personal privilege, the record is here to be quoted from. Read it. I never denied that I had not had what he is saying now, at all. If he had read the speech that I made in this House he would know that he should be after the hon. Minister of Municipal Affairs, (Mr. Warrender), and if the government had given him the opportunity to purge his soul, as he talks about it, earlier, maybe he could have helped the cause of municipal government.

Mr. Lavergne: There is an old saying that the truth hurts sometimes. Is that not right?

An hon. member: The hon. member should know, he is finding it out.

Mr. Lavergne: Look at that other voice at the back there.

Mr. Speaker, if I could go on without being interrupted again by my hon. friend, who is so prone to jump to his feet—he is getting

to be in the same category as the hon. member for York South who was aptly named a jumping jack here—but I think that could be said about the hon. leader of the Opposition at the present time. Perhaps he did say this: he said that on a tip, or perhaps he used the word advice—

Interjection by an hon. member.

Mr. Lavergne: This, Mr. Speaker, is for the benefit of the new hon. members. They did not hear this and I would like to—

An hon. member: We will read it for the hon. member if he cannot read.

Mr. Lavergne: As I say, often the truth hurts and perhaps in this case the truth does hurt, and that is why my hon. friend is shying away from it.

But he said that he had bought, or had purchased, at the price of \$2,500, some Bar-B copper, but that that tip did not pan out, and he lost all the money. Then, at a later date, he said, after consultation with a former member, that he had purchased 550 shares of Northern Ontario Natural Gas; that was why, when the debate was going on, at the time he sat here so silently in his seat.

He said he had purchased that at \$2,500, and that he and other members of his family had purchased another 650 shares; and, I believe, afterwards they had jointly purchased 25 more shares, at prices ranging from 13 and seven-eighth cents to, I believe, \$12. But he did say that, on the whole transaction, he had lost \$900.

I have no argument with that, Mr. Speaker, perhaps the hon. leader of the Opposition did say he lost the \$900; I have no evidence on which to doubt it. But, there, on two occasions, he said: "Perhaps I was naïve, perhaps I was politically indiscreet, but I want to assure you that I did nothing immoral, I did nothing illegal or nothing wrong."

I want to say that I will accept that, that he did not—but I want to show my hon. friend that people who live in glass houses should not throw stones.

Here is an hon. gentleman who confesses to being naïve, who confesses to being politically indiscreet, then who gets up in this House, the other day, and wants people to legislate against people sitting here; then he gets up and votes against his own motion.

I am wondering, of the two of us here, who is the more politically immoral, my hon. friend or myself?

I want to say this—if my hon. friend will take this, I will take it from him—that he did nothing improper or illegal. I want him to take this, and think about this seriously, when I say that what I did down there was for the good of the people of Eastview, and that the people at Eastview got full value for every dollar that was invested in that municipality. I also say that it is going to be a sorry day if the people ever entrust the destinies of their municipalities to the hands of a party which is headed by an hon. gentleman who runs things on hot tips.

If they are going to run this province on hot tips, it is going to be a sorry day for the province of Ontario if it ever should happen.

But I want to assure my hon. friend that, in the final analysis, the Progressive-Conservative party will still be on this side, and the Liberals will be sitting over there in the Opposition.

And, Mr. Speaker, I repeat, whether my hon. friend across thinks it or not, that if he did nothing improper or illegal, then everything we have done for the municipality of Eastview was done in good faith, was done for the people of Eastview; and the people of Eastview got full value.

When the final act of so-called drama comes to a close, the people of Eastview—especially those 50 per cent who did not go out to vote—will say: "We should have gone out, and we should have kept that good council that worked so hard for us over the great number of years."

Mr. Wintermeyer: Mr. Speaker, there are occasions I think when one has a right to rise on a matter of personal privilege. It is not my intent to defend myself here. What I have said here before, I have said. It is on record, to be read by anyone.

What the hon. member forgets is that in summation, in the presentation that I made on November 29—and I wish the hon. member would take this seriously—I took great pains to say it was not my intent to judge him, it was not my job to judge him. I was only required as leader of the Opposition to point out a report I assume was made honestly and objectively.

The quotations I made were directly from that report.

I can assure you, Mr. Speaker, that it gave me considerable concern to know what to do under the circumstances. I determined at that time that as leader of the Opposition I did have the right and obligation to make public the information that was prepared and presented in the form of the report. That I did.

The quotations which the hon. member has attributed to me are the quotations I have taken from the report. I did not embellish the report, I did not expand on it.

And therefore if the criticism of the hon. member is to be directed to me, I would remind him they should likewise be directed to those who prepared the report, those of The Department of Municipal Affairs. I would likewise remind him that in the matter of his conduct in terms of its personal relationship, I made no comment.

I did say, in my opinion, he mismanaged the community. I think that is the inference of the report. I think that too is the judgment of the people of Eastview. Irrespective of what the hon. member says, I did not have any communication with anybody in Eastview about this matter.

Not many persons—one person that I have in mind, spoke to me. That I had instructions, that I had advice, that I had assistance, I think is aside of the mark. I did what I did with a concern of conscience. I do not believe in judging people and the criticism I made at the time, and I repeat it now, Mr. Speaker, is this simple criticism, that it is unfortunate that this government heretofore has not provided a facility that would permit a man's reputation to be judged objectively and fairly.

I wish that opportunity had been provided; and that is my plea today, that The Municipal Act be so amended. And that a man whose reputation comes into focus be given a fair opportunity to express himself and to be heard. I asked for nothing more.

I ask for nothing more, and it is a thing that I ask and repeat today.

I think the demonstration we have had today is nothing more or less than the contention that I made on November 29 that the basic responsibility for this must lie at the feet of government. That I made on the 29th and I repeat now.

And, Mr. Speaker, for myself and what I have said, I stand by. What I did is known. What I am trying to do now is, I hope, the same as every hon. member, to do the best job that I can for the people. Thank you.

Hon. Mr. Frost: Mr. Speaker, I think I am entitled to comment just to this extent, that I think my hon. friend's remarks—and I tried to point this out to him on November 29—were poorly timed for this reason, they led themselves to distortion and to unfairness to the hon. member for Russell at that time. I say my hon. friend should have made his speech on December 6 and not November 29, I think that is—

Mr. Wintermeyer: Oh, now, Mr. Speaker, where was the hon. Minister of Municipal Affairs? Not once did that hon. Minister stand up—the one man, Mr. Speaker, who could have brought some order right there.

Mr. Speaker: Order! Order! The leader of the Opposition rose on a point of personal privilege. I could not see exactly the point of personal privilege, it was more of a general rebuttal, and if we follow our procedure I think we will call now for the next speaker in the Throne speech.

Mr. J. P. Spence (Kent East): Mr. Speaker, it is again my privilege to take part in this Throne debate, I might say it is a privilege to express the views of the people of the riding of Kent East in this second session of the twenty-sixth Legislature.

Mr. Speaker, I wish to say that your position is no easy one, but I wish you well in filling this honourable position.

Mr. Speaker, since we last met, two members of this assembly have passed on. I might say I was saddened when I learned of the passing of Mr. Johnston and Mr. Herbert, both valued members, men whom I considered very friendly and gentlemen in every respect.

I do sincerely congratulate the 3 hon. Ministers who have been elevated to cabinet posts in this Legislature since the last session. I had grave fears this afternoon, Mr. Speaker, that soon this government party will have no regular members left in its ranks.

Perhaps this government is destined to make history, with the first Parliament of Ontario to have all the government supporters in the cabinet, or appointments. It would have the dubious merit, Mr. Speaker, of absolute control of the caucus and of this very House.

I congratulate the new hon. member for Simcoe Centre (Mr. Evans) and the hon. member for Temiskaming (Mr. Hoffman) and suggest that this being their first session, they will find their work new and strange but they will know that we all came through that same experience and, as time passes by, they will enjoy the associations here and the work.

Mr. Speaker, I am pleased the Throne speech indicates legislation for this province which is long past due. It is my opinion it is the pattern of this government that they never take action until the problem becomes very serious. Then panic legislation is introduced. In fact, Mr. Speaker, after the chickens are all dead, they start to hunt the fox. The tracks in the snow are ignored the day before.

For example, the province faces the effects

of the deepening recession. The new Department of Commerce and Development is submitted to this House with a view of stimulating business, extending trade, product research in a search for new products—these are the patterns which responsible governments would have had operating in good years, such as the years that the Liberal government reigned in Ottawa.

Certainly the Opposition has pressed for these needs for years, Mr. Speaker, pressing the thing that goes back to biblical days, that in good years you prepare for lean years. Instead, this government spent those years preparing extensive propaganda to hide mounting deficit in the treasury. The emphasis has been placed on the image of this party, rather than on the image of the great province of Ontario.

There were sufficient warnings, Mr. Speaker, to this provincial government, when the Progressive-Conservatives assumed office 3 years ago at Ottawa, that we were heading for trouble.

I am no historian, just a farmer, Mr. Speaker, but I have read enough of political history in Canada to know that whenever the Republicans reign in the United States and the Conservative government reigns here in the Dominion of Canada, we have depressed times.

Even so, Mr. Speaker, with our Department of Economics, the government here should have been prepared. With The Department of Economics to advise the government's position, now it is indefensible.

The Throne speech predicts long-awaited action on agriculture markets, Mr. Speaker, particularly the overseas markets.

We learned that highway No. 401 is being built ahead of schedule. We have no guarantee for an early completion. Before it is finished, we will require the rebuilding of the first section that was built.

We hear of action in the propagation of fish and wildlife, something else which is long overdue. The Throne speech, Mr. Speaker, echoes a hollow sound, when again it fails to set out when this government will recognize the needs of decentralization of industry in this province, and help the small towns and villages and distress areas. There is nothing in the speech to indicate what this government proposes to do to aid the small businessman who is pushed to the wall by the mass buying power of the big businessman. Legislation to extend loans to small businesses is one tool in the hands of this government and to do something to help the small busi-

ness and a host of people they serve in this province.

I listened with great interest the other afternoon to the hon. member for Lanark (Mr. Gomme) in his moving address in reply to the speech from the Throne. He spoke as a dedicated Tory, Mr. Speaker, in a very clear voice in a manner in which the meaning was very clear. He left the clear impression with me, Mr. Speaker, that this government had gathered all the dollars as one would rake leaves in the fall into a huge pile and tramped them down. In spite of all this work and effort, the dollars escaped in the wind and spread a great era of prosperity all over the province of Ontario.

I was pleased to hear that Lanark county now has everything except a small piece of pavement and a highway corner that needs some repairs. We got the impression that this county has everything that it will ever need, and that the rest of Ontario is in the same position. But if Lanark is bursting at its seams, Mr. Speaker, it certainly is not spreading to other parts of the province.

Unemployment and depressed farm prices are widespread as they are in the riding that I have the honour to represent; the riding of Kent East. Our farm prices are no better than at subsistence level; our commercial fish prices and markets are in an alarming state. Everywhere in Ontario except Lanark we face the rising provincial debt, rising school taxes, inadequate highways. Events have shown that the Rt. hon. Prime Minister of the Dominion of Canada (Mr. Diefenbaker) did not honour his solemn promise to pay the additional \$100 million to this province of Ontario.

Yes, Mr. Speaker, I am very concerned when our towns and villages are ignored in their proper plea for new industries.

In spite of government policy, one new industry was located in my riding near the village of Thamesville. It will mean a great deal to that village and the surrounding area. The men in the chamber of commerce who spent so much of their time and money towards the location of industry in Thamesville deserve a lot of credit, Mr. Speaker.

Through the years I have approached The Department of Planning and Development and was offered all kinds of suggestions. But I have yet to be offered leadership in the newer trend to the towns and villages. If we are to look to the future in this province, Mr. Speaker—and we must—we have to demand of government that industry be decentralized. From the point of view of the small towns, it is like putting all your eggs in one basket.

How are we to survive if an enemy attacks even with conventional weapons?

I say why should the metropolitan areas get everything that all the small towns in the country need? The cost of the labour we hear so much about would be less in the small towns because living there is cheaper; the atmosphere is one that will produce a healthy people; the food available at the back door is the best on the continent. And homes are available at reasonable cost, servicing is easier and adaptable.

So why should we continue to drift towards cities and high-cost areas when good living at low cost is so readily available?

The government cannot answer that question because they have made no effort to move in this situation.

The government say they cannot tell a manufacturer where he must locate. That may be true, but the same manufacturer might well consider locating away from a metropolitan area. We should build for him the same kind of road service in the rural area as are built for him in the congested areas. In short, the government should get busy and finish this highway No. 401. That would be a shot in the arm to rural industrial development. But instead, it drags on, year after year.

I will turn to the agricultural problems in a few minutes. The government at Ottawa set up a committee to investigate price spreads in agricultural products.

By the report of the commission, the prices remain rather stationary, while the cost of equipment, fertilizer and other necessary materials had increased tremendously. The government expressed concern but did nothing about this till this very day.

They did appoint another committee to look into the high cost of machinery parts, but no matter what the report shows, we expect the same lack of interest in correcting the farm situation.

To explain what I mean there is information here that I have from the *Chatham Daily News*. It is from a bulletin of the Canadian federation of agriculture. Some startling facts have been brought out.

Did hon. members know, for example, that the Cellophane bag used to market carrots costs 3 times as much as the farmer receives for the carrots it contains? The label on a can of tomatoes, Mr. Speaker, costs the same as the farmer receives for the tomatoes in the can. These and other illustrations prove that the farmer is not getting a fair share of the consumer's dollar.

Hon. W. M. Nickle (Minister of Planning and Development): What date was that in the *Chatham News*?

Mr. Spence: About two months ago. I have not got it right here but I will get it for the hon. Minister.

Hon. Mr. Nickle: I wish the hon. member would.

Mr. Spence: Today in southwestern Ontario the sugar beet producers are in serious trouble. One sugar plant has been closed down, farm production of sugar beets is down this year, Mr. Speaker, from 33,000 acres to 14,000 acres.

I was very impressed the other day when the hon. member for Kent West (Mr. Parry) drew this sugar beet problem to the attention of the Legislature. I might say that this industry means a lot to the economy of southwestern Ontario. The farmers have invested in machinery and equipment to grow sugar beets in southwestern Ontario to an amount of about \$4.5 million.

Our sugar beet industry requires a large labour force; it works in well with our economy. Sugar beets are planted early in the spring. Labour gets early work in blocking and thinning the sugar beets, and after the sugar beets are blocked and thinned they go on to the tobacco harvest, from there to the tomato harvest, and then back to the harvesting of the sugar beets in that area.

This sugar beet industry has meant a lot in the past to southwestern Ontario. If something is not done it is going to strike a severe blow to the economy of southwestern Ontario.

I might say, Mr. Speaker, I was present with a delegation of beet growers before The Department of Agriculture to urge them to move forward in this situation; but I have heard nothing more about it. If we lose this sugar beet industry in southwestern Ontario, Mr. Speaker, we will have two factories closed down. A lot of men will not have employment, and I might say that 33,000 acres will have to be seeded to other crops which will seriously affect other sectors of the agricultural economy.

Sugar is an important table commodity in use every day. There is no excuse for this government allowing this industry to die, but die it shall if some leadership is not assumed at once. I hope this government will look into this sugar beet industry. They will have something to deal with if something is not done at once.

I must say too that tobacco growers were struck a severe blow by the cancelling of the 1960 growing contract. This meant a loss of nearly \$5 million to \$6 million to the economy of southwestern Ontario this year in the loss of markets and commodity surpluses. I might say the onion growers are facing another ridiculous situation at the present time. The price of onions today is one cent a pound, or 50 cents a bag. I was told this morning by dealers that they are selling out of big chain stores at 3 pounds for 19 cents or a little over 6 cents a pound.

That is the condition of the agricultural industry in the province of Ontario. Surely, it is time this government woke up to the fact that new markets have been required for some time. The hon. Ministers have stated that practically all of Canada's exportable farm produce comes from the province of Ontario; yet we witness a truly alarming situation where Ontario does not have a single person qualified in agricultural processing or marketing on the staff of Ontario House in London. If ever one needed evidence of a Rip Van Winkle attitude towards the farmer, this is it. Now they propose to appoint someone, but it takes years to develop new markets. It should have been done years ago, not just today.

In passing, I might say it would be interesting to the people of Ontario to know the qualifications and experience of all the staff in Ontario House in London, England, and learning just what they are doing besides drinking tea.

Fire them all, Mr. Speaker, replace them with experts in all channels of trade, including that of agriculture. If ever there was a house that needed a broom it is Ontario House in London. It certainly proves the come-what-may attitude of this government towards the agricultural industry.

It says agriculture has been advocating increased production. It is like encouraging the production of coconuts—provided you grow them on the edge of a cliff, Mr. Speaker, and let the produce fall into the abysses and waste the time, money and skill of the farmer. What a truly shameful attitude indeed.

But every time the farmer tries to help himself this government moves in to hold him. Last year it was infamous Bill No. 86. This year it is the machinery of the security commission used to hurt the farmers.

Where are the warehouses overseas, or displays and storage of our farm products? This government can dream of a country club for the Lieutenant-Governor—they can

find the money for that—but there is no money to conscientiously expand farm marketing.

Mr. Speaker, the United States ships tobacco to European countries and puts it in warehouses for display and marketing. They have been getting good prices for their tobacco. But what are we doing? Nothing. Nothing at all.

If we are going to reach into these markets, we have to move; and, I must say, Mr. Speaker, move quickly. We have the land, we have the skills, we have the goods—good products—if only we did not have a dead government.

One can readily see the wisdom of the people of the United States, when the two candidates for the highest office in the land were young and vigorous men. We have, Mr. Speaker, that type of men at the head of the Liberal Party in the province of Ontario—

An hon. member: Hear, hear.

Mr. G. W. Innes (Oxford): He is so right.

Mr. Spence: —willing and able, vigorous to approach these vital problems. We have young men who will look to the future by instinct —

Some hon. members: Hear, hear.

Mr. Spence: Oh, we do not do that by standing still. What has this government done to reduce the cost of truck licences to the farmers?

Several hon. members: Nothing, nothing. It is shameful!

Mr. Spence: Nothing. This would assist the farmer greatly, increase highway safety—

An hon. member: Yes.

Mr. Spence: —this year on our highways, more trucks would be bought, reducing the number of tractors on our highways. The present fee is unfair when one considers that the farm truck is only used a portion of the year. It would not only help the farmer but increase employment in our truck branch. But I am sorry; I forgot this government is not interested in making farming pay or increasing employment.

An hon. member: Right.

Mr. Spence: There are never enough trucks available due to this shortsighted policy. I might say, Mr. Speaker, I have brought out a suggestion for the government to consider if they wish—I just do not always offer criticism—and I suggest that this government should set up at once an agricultural

export development plan to assist the export group in developing and maintaining new markets in the United States and in Europe.

Several hon. members: Right, right.

Mr. Spence: I might say that, on decentralization of industry, the government should encourage settlement of industry in the towns and villages of Ontario; the Ontario government should pay the municipal councils concerned the first 3 years' taxes of industry settling in rural areas of this province.

Hon. members across claim the cost is high. It will not cost anything at all, if they continue with the present policy of no diversification of industry.

Last year, I want to say, I brought before this House the plight of commercial Lake Erie fishermen. The hon. Minister concerned was quite interested at the time, but since then I have heard very little about it. Maybe the hon. Minister will speak later on in the session, and maybe he will have a good report.

I contacted the commercial Lake Erie fishermen the other day, and I might say they told me conditions were not too much better. For one kind of fish, the price had risen, and the rest remained the same. They also said the catch was very poor and, to those who know no other calling, it is too late in life to learn a new trade. Some of those who are engaged in the fishing industry at the present time are only receiving \$25 a week.

Now this is a hard and somewhat hazardous occupation; the solution is not an easy one. But there is a plight and this plight is ignored. I hope this government does not ignore the situation any longer. There is a problem here and I think something should be done for the Lake Erie commercial fishermen.

I would like to say a few words about the riding I have the honour to represent. We have a negro settlement in that riding, a place which I have not mentioned before in this House. It is situated on Rondeau Bay and is called Shrewsbury.

This is becoming quite a tourist attraction in the summer; many citizens of Detroit and border states are spending their vacation at Shrewsbury. These people are building new homes there, doing everything they can to

encourage tourists to come in and spend their money there—which I know, the hon. Minister of Travel and Publicity (Mr. Cathcart) is interested in, too.

These people have proven themselves to be good citizens, they mingle with the white people in that area, they proved themselves to be good neighbours—I think we should recognize them. They have a fine piece of land there which would make an ideal park for this area. I think we should recognize them; also there is a great history to Shrewsbury.

I might say that I went over to the library; it was unfortunate I could not get a book there to brush my history up on Shrewsbury, but I wish the hon. Minister of Travel and Publicity would look into the history of Shrewsbury. If a cairn could be set up there I know the people would appreciate it, and it would add greatly to that area.

Also, Mr. Speaker, in my riding we have an Indian reservation. This is a very fine reservation; I might say they are very fine people and I would like to commend the hon. former Minister of Education (Mr. Dunlop) of this province for integrating the Indian boy and girl into our elementary schools.

I might say that those descendants of the first Canadians were very well pleased with the outcome of integrating the Indian boy and girl in the elementary schools, and since that has been started many of the young people are going to high school and have become interested in a better education.

Now, this reservation has no paved roads in it. The hon. Prime Minister of this province is a chief of the great reservation here in this province. If I remember correctly the other day he said he was very sympathetic to the Indians. I know another reservation has a paved road in it. I would like to bring it to the attention of the hon. Prime Minister that we would like to see a piece of pavement laid down in the Indian reserve. It would add greatly to the area and would show that we are trying to do something for them. I think that they would certainly appreciate it.

I will not take up any more time, Mr. Speaker. Thank you.

It being 6 of the clock, p.m., the House took recess.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Wednesday, December 14, 1960
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, DECEMBER 14, 1960

8 O'CLOCK P.M.

And the House resumed.

SPEECH FROM THE THRONE

Mr. K. Bryden (Woodbine): Mr. Speaker, in rising to participate in this debate, I would like to express my sincere regrets that two of the members of this House that were with us during the last session are no longer here. Their deaths represent a serious loss not only to the people of their constituencies but to the people of Ontario generally.

In turning to a happier subject, Mr. Speaker, I would extend my congratulations to the two hon. members of the Legislature who are at this session for the first time as the result of victorious efforts in by-elections.

I have always been one who accepts the verdict of the electorate. I will say that I always reserve the right to try to persuade the electorate to change its mind on a subsequent occasion, but for the present the electors in those two constituencies have spoken and I wish to congratulate the victorious candidates.

I would also like to congratulate the newly appointed hon. cabinet Ministers who, I believe, were sworn in at the beginning of this session. One of them with whom I have been associated in a number of capacities holds the important portfolio of transport (Mr. Rowntree). He and I have had many set-to's, but I think it can be said that we have the greatest respect for each other.

I also would like to state that I have enjoyed the associations I have had in the past, and expect to enjoy similar associations in the future with the two hon. Ministers who have been appointed without portfolio. I have been particularly happy to note that my old friend, the hon. Minister without Portfolio (Mr. Grossman), who represents St. Andrew constituency, was assigned what I consider to be quite an important role by the government in this House. I refer to the night before last, when he brought in a government motion in relation to a debate that had previously been taking place on a private member's resolution.

In passing, Mr. Speaker, I would like to call attention to the fact that, though that particular debate was initially on a private member's resolution, we now have before us not a private member's resolution but a government motion introduced by an hon. cabinet Minister.

Furthermore, it is a motion that involves confidence in the government. I would hope that in the determination of the procedure in this House the government, having seen fit to place a motion of confidence on the order paper, will now accord to it the same priority as is accorded to all government business. I would hope, in addition, that there will be no attempt to have this motion debated during the very limited period which is assigned to the discussion of private members' bills and resolutions.

Finally, Mr. Speaker, I would like to extend my congratulations to the hon. mover (Mr. Gomme) and hon. seconder (Mr. Evans) of the motion for an address in reply to the speech from the Throne. I will quite freely admit that I disagreed with a great deal of what they said, but I appreciated the forthright manner in which they expressed their views and I think they are to be congratulated.

I regret, Mr. Speaker, that we cannot get similarly forthright statements from the treasury benches on matters of urgent public importance to this province. I will not take time to enumerate the numerous items that I have in mind, but I will proceed to one in particular which in my opinion is of very urgent importance at this time and on which we have no statement from the government that is worthy of the name of statement. That is the matter of the administration of municipal affairs in the province with particular, but by no means exclusive, reference to the situations which have come to light in the municipalities of Eastview and York township.

I would like to state at the outset, Mr. Speaker, that I have no desire or intention to engage in a personal vendetta with the hon. member for Russell (Mr. Lavergne). It is perfectly evident that he has no comprehension of the duties and responsibilities of a person elected to administer the affairs of the people, and no appreciation of the nature of the trust reposing in such a person. Under

the circumstances he is perhaps to be pitied rather than condemned.

The audit report of the town of Eastview, though written in measured judicial language, was a stinging indictment of the administration of the affairs of that municipality and of the conduct of the hon. member for Russell in the key office of mayor.

One would think that the only honourable course any man would have in the face of such a report and such an indictment would be to resign from his office in the municipality and his seat in this Legislature. The hon. member for Russell did not see fit to resign his office of mayor; he left it for the people to turf him out. He apparently does not see fit to resign his seat in this House. Apparently he is going to leave to the people the further task of turfing him out again when the time comes.

He presented his case to this House this afternoon. He presented the same case to the electors in the area where he is best known and they repudiated it absolutely. Anything from me after that, Mr. Speaker, would be mere anticlimax, and I will deal no further with the matter of the position of the hon. member for Russell.

I would like, however, to discuss this matter in terms of the broader issues involved. The indifference of this government, and more specifically of its hon. Minister of Municipal Affairs (Mr. Warrender), to the soundness and even the integrity of municipal administration in this province is becoming more blatant every day.

This House, as we know, has been in session since November 22. Well before that date, the hon. Minister of Municipal Affairs had in his hands exhaustive reports regarding municipal administration in York township and Eastview. These reports not only brought to light much disturbing information regarding the internal administration of the municipalities concerned, they also cast grave doubt of the adequacy of the municipal legislation of the province and its administration.

Under the circumstances, this House and the people of the province were entitled to an early statement from the hon. Minister of Municipal Affairs as to the remedial action the government plans to take. Notwithstanding the fact that the Legislature has now been in session for more than 3 weeks, no such statement has been forthcoming.

When the hon. Prime Minister (Mr. Frost) participated in the Throne speech debate on November 29 he seemed to imply that the government was awaiting the verdict of the electors of York township and Eastview.

Well, Mr. Speaker, those electors gave their verdict in no uncertain terms 9 days ago. I ask: What is the government waiting for now?

Surely arrangements could have been made for the hon. Minister of Municipal Affairs to participate before now in this debate and state the government's position. Or, if that was inconvenient, I am sure that in a matter of such urgent importance every hon. member of this House would have welcomed a full statement by the hon. Minister before the orders of the day. I submit that it was the duty of the hon. Minister to find an opportunity to make such a statement. But we have had nothing but silence.

The Eastview report begins with a reference to the rapid—indeed, explosive—growth of that municipality in the last 10 years. Apparently that is as far as the hon. Prime Minister got in his reading of the report.

In his remarks on November 29 he expanded at great length on this particular point, but he had nothing whatever to say about the succeeding 70 pages of the report which consisted of a doleful recital of failure to protect the public interest, conflict of interest and perhaps even worse.

Is the government unconcerned about these matters or has it nothing to say? Has it no case to present to the people of the province at all? Or is its failure to even state its position due to the fact that the person who more than all others was involved in these unfortunate events in Eastview, namely, the recently deposed mayor, the hon. member for Russell, sits in this House as a government supporter?

The government has attempted to evade its responsibility by raising the totally irrelevant issue of municipal autonomy. No one has suggested that the government should be forever looking over the shoulder of the average municipality in the province.

But Eastview was no average municipality. The government has known for a long time that all was not well in Eastview. More than a year and a half ago, a special bill had to be introduced in this Legislature because that municipality was in a mess. At that time the municipal board had even gone so far as to recommend that this municipality should be placed under trusteeship.

But the government chose the expedient of a special bill instead. Surely, under the circumstances, the government had a clear responsibility to keep a watchful eye on this municipality. It did not do so and, as a result, an even worse mess developed, apparently without the knowledge of the government.

The fact that the government had no knowledge of what was going on—if indeed they had no knowledge—is a striking condemnation of their attitude and policy and their failure to take due regard to their responsibilities.

The same was essentially true with regard to York township, Mr. Speaker. Before I demonstrate my point in this connection, I would like at this time to pay tribute to Mr. Fred Taylor, reeve-elect of that municipality. This man has now been fully vindicated, but for years he battled singlehanded against seemingly hopeless odds to expose the serious situation existing in his township. He even went down to personal defeat in his bid for re-election to the township council in 1958.

During all this period he got no help at all from the government or its agencies. After an unsuccessful attempt in 1956 to persuade the township council to ask for a judicial inquiry into the affairs of the township, he went repeatedly to the chairman of the municipal board and The Department of Municipal Affairs. All he got was discouragement, apparently because the laws of the province are so inadequate that the officers of the board and department were powerless to help.

One of the indictments contained in the Sweet report related to the widespread sale of township land at less than fair value. Late in 1956, Mr. Taylor went to The Department of Municipal Affairs in an effort to stop some of these sales. He was successful in only 2 or 3 cases where it was actually proposed by the township council to sell the land at less than assessed value. Apparently it was only in these extreme cases that the law enabled the department to intervene.

Now, Mr. Speaker, I think all of us are well aware of the fact that the assessed value of any land is well below the true market value of the land. In the case of York township, the council even proposed to sell it below that nominal figure and it was only in those cases that Mr. Taylor was able to get the department to take any action.

I may say I am not criticizing the officers of the department. It is their duty and responsibility to administer the laws as they are enacted in this Legislature. My understanding of the situation is they had no power to stop the numerous other sales which were obviously at less than the fair value of the land but which escaped the law because they were at or above the assessed value.

Mr. Taylor also went repeatedly to the chairman of the municipal board with regard

to the illegal construction of triplexes, which was another major item singled out for condemnation in the Sweet report. He was told that his only remedy was to take legal action on his own initiative and assume full obligation for the cost of such action.

Again I am not criticizing the chairman of the municipal board. I have no doubt that what he told Mr. Taylor was perfectly correct, and that was Mr. Taylor's only remedy under the law. But surely it is time something was done about a law that is so grossly inadequate that illegality of this kind can be stopped only if an individual ratepayer takes legal action on his own initiative and runs the risk of undertaking legal costs that he probably cannot afford to pay.

Unfortunately this seems to be the situation generally with regard to The Municipal Act and its administration. There would have been no inquiry in Eastview if the citizens' committee there had not demanded one and they had to settle for something less than the full judicial inquiry they wanted because a judicial inquiry would have been too costly for them.

Nothing would have been done in York township either if it had not been that action by the aroused citizens finally forced an inquiry.

And now we have the same attitude by the department or the hon. Minister in regard to Vaughan township.

Surely it is time that there were changes made in The Municipal Act. I am not purporting to interpret that Act, I am only interpreting the failure to do anything which presumably stems from the Act. Surely it is time to remedy these gross defects whether they exist in the Act or in the administrative attitude of the government.

I would quite agree that the department or the government cannot order an inquiry any time any crackpot happens to make a complaint. But in these particular instances, the complaints that were made were serious complaints made by responsible people with knowledge and with facts to back them up. They were definitely complaints that were worthy of serious investigation.

Yet the department was not willing to take any action, or else was unable to take any action; I do not know which is the case. Whichever it was, it is an unjustifiable situation and now we have the same situation again with respect to Vaughan township: No willingness on the part of the hon. Minister of the department to rise to his responsibilities and to act in accordance with his clear responsibilities.

As far as York township is concerned, the government as a result of Mr. Taylor's efforts obviously knew or was in a position to know all about what was going on in the township. This was long before the Sweet report. This was back at the end of 1956 and beginning of 1957, when Mr. Taylor was bringing these facts to their attention—facts that have been proved to the hilt by subsequent investigation.

It was only because a prominent newspaper columnist finally took an interest in the matter—very late in the day when it really appeared that Mr. Taylor's case was completely lost—that the facts Mr. Taylor had brought to the government's attention were investigated and found to be true.

This, Mr. Speaker, is a total abdication of responsibility on the part of the government and, in support of this contention, I would like to quote a paragraph from an editorial which appeared in the *Toronto Telegram* on May 7, 1960. The title of the editorial is "Strange Inertia at Queen's Park" and the last paragraph reads as follows:

Municipal Affairs Minister Warrender makes a great play about municipal autonomy. Let the people assert their democratic rights, he declares; he is hoping, he says, that the electorate will exercise its responsibility and clean up the problem. High-sounding rubbish. When it is a case of passing the buck it suits Mr. Warrender to eulogize municipal autonomy, but he is proud to have under his name in the government directory: "The Department of Municipal Affairs functions primarily to administer the system of municipal institutions of Ontario," and "it is entrusted with the administration of provincial statutes relating to municipal affairs."

Let it fulfill its function and carry out its trust.

says the *Toronto Telegram*.

The government's failure to carry out its trust has apparently extended even further. During the course of the Eastview inquiry, a most disturbing allegation was made under oath by a highly responsible individual. Mr. W. Bolton, auditor of The Department of Municipal Affairs, stated that after he had discovered a substantial discrepancy in the accounts of the municipality with regard to parking meter fines revenue, an attempt was made to persuade him not to report this serious matter.

The hon. Attorney-General (Mr. Roberts) was advised of this as far back as July 22, 1960, as is indicated by a report appearing

in the *Ottawa Citizen* of that date, which I will read to the House:

Sworn testimony that mayor Gordon Laverne and town treasurer Mrs. Adrienne Laroche attempted last week to cover up the theft of \$1,900 in 1958 municipal funds rocked the public inquiry in Eastview today. William Bolton, supervisor of the auditing and accounting branch of the Ontario Municipal Affairs Department made the sensational disclosure in the witness box shortly after the session opened this morning.

And here is the paragraph to which I would particularly call attention, Mr. Speaker:

Informed of the disclosure made by the Municipal Affairs Department official, Ontario Attorney-General Kelso Roberts said in Toronto this morning it was a serious allegation and that he would not comment on it until he had seen the official report by Mr. Bolton.

Now, that was on July 22, 1960, and, at that time, the hon. Attorney-General knew all about the allegation. Apparently, however—

Hon. A. K. Roberts (Attorney-General): Would the hon. member just hold his breath for one moment?

All right, that is the type of man he is, go on.

Mr. Bryden: What is eating the hon. Attorney-General?

Hon. Mr. Roberts: I ask for one moment, when the hon. member makes a statement of that sort.

Mr. Bryden: I will give the hon. Attorney-General a moment in a minute. I just want to complete what I have to say.

Hon. Mr. Roberts: This has nothing to do with my remarks whatever. I was waiting for the report of the people who were investigating the situation.

Mr. Bryden: Well, at any rate, he knew about the situation back on July 22.

Mr. D. C. MacDonald (York South): If the hon. Attorney-General was waiting for the Bolton report, that was in on July 21.

Hon. Mr. Roberts: I had nothing to do with the Bolton report.

Mr. Bryden: The evidence was taken on that day and the report was—

Hon. Mr. Roberts: Mr. Speaker, may I be allowed to rise on a point of privilege, since my name has been brought into this question? I will say there was no question in my mind whatever about discussing awaiting the report of Bolton. I was awaiting the report of the people who were looking into the inquiry. I just want to make that clear.

Mr. Bryden: I am perfectly happy to accept the explanation of the hon. Attorney-General, and I would point out to him that the report of the people making the inquiry has been available for some substantial time. It is dated, I believe, November 14, and I have no doubt it was in government hands before that date.

However, we heard nothing from the hon. Attorney-General, so on December 1, the hon. leader of the CCF (Mr. MacDonald) again brought the matter to the attention of the hon. Attorney-General, as is shown on page 176 of *Hansard*. I would just like to read one paragraph from the remarks of the hon. CCF leader as follows:

And finally, Mr. Speaker—and this I invite for the examination of the hon. Attorney-General—the testimony of William Bolton, departmental auditor, that the mayor and treasurer had sought to have him not report shortages of funds if the money were secretly replaced, to be found in the transcript—it is not contained in the report for reasons that do not appear to me to be valid—on page 712 for July 22.

This was two weeks ago, and still there has been no statement to this House, or anywhere else as far as I know, from the hon. Attorney-General on this matter. Since this is clearly a matter of great importance to the House and to the public—

Hon. Mr. Roberts: Mr. Speaker, I rise on a point of privilege. If the hon. member for Woodbine thinks that he is helping true administration of justice and the proper investigation of matters by talking the way he is talking here today, I cannot conceive what brings about such thinking.

We are in the midst of an investigation and, until it is complete, it would be most inappropriate for me to make any statement in the House or outside of the House.

Mr. Bryden: I am glad to hear at last, Mr. Speaker, that the hon. Attorney-General has finally been stirred into some sort of action and some sort of investigation on this matter. He knew about it all summer, he was then so busy pursuing a shady lady that he

had no time to look into Mr. Bolton's allegation.

Hon. M. B. Dymond (Minister of Health): If he had not pursued her, the hon. member would have had something to say too.

Mr. Bryden: However, Mr. Speaker, this is clearly a matter of great importance to the House and to the public. I plan to read into the record of this House the exact evidence given by Mr. Bolton which is recorded on pages 712 to 717 of the transcript of the evidence taken at the inquiry.

This is the examination of Mr. Bolton, starting at line 5 on page 712:

Q. This was on July 12, Wednesday?

A. Yes, this was on Wednesday.

Q. What was the nature of that conversation? What did the treasurer say or what did you say?

A. When Mrs. Labelle and I left here at approximately 8 o'clock on Tuesday night he had gone over to see her and had discussed with her what my preliminary findings were on the accounting for the parking meter fines revenue. She told me she could not understand it and she was very perturbed about it and wanted to know if anything could be done about the matter.

Q. What do you mean, "if anything could be done about it"? That is rather vague.

A. Her conversation at that time was, I believe, deliberately vague. I gathered that she was wondering whether anything could be done about not reporting.

Q. Did she say anything to you about not reporting?

A. At that time she did not. She wanted to know what should be done, and in my opinion the only thing that could be done was to notify the bonding company.

Q. Is that what you told her?

A. Yes.

Q. Was there any other conversation?

A. She talked about it in a general manner for approximately 10 or 15 minutes.

Q. I do not know as we need the whole conversation.

A. And then to make sure that I had not missed anything in the cash book I went over the list which had been prepared by Mr. Labelle and myself with Mrs. Laroché and together we rechecked the amount shown on the parking meter fine books and rechecked the amount shown in the cash book for 1959 and 1960 to date.

Q. Was there any conversation then?

A. Again she raised the question as to what could be done about it. I gathered from the conversation that if possible she did not want this matter disclosed at the investigation.

Q. How would you gather that? Did she suggest or hint at it?

A. What she said was that it was too bad that it came up at the present time because it would be one more additional scandal with so many rumours going around the municipality.

Mr. Yates: Q. Was there any suggestion as to how the matter might be reported?

A. Not at that time.

Q. Was there later any suggestion?

Mr. Blake: Q. By the treasurer?

A. There was a suggestion the next day at another interview.

Q. With the treasurer?

A. At which the treasurer was present.

Q. Was the suggestion made by the treasurer?

A. I believe the suggestion was made jointly by the treasurer and the other person present at the interview.

Q. Who was the other person present at the interview?

A. The mayor, Mr. Lavergne.

Q. When was this?

A. There were two interviews on Wednesday of last week, one at approximately 4.30, in the mayor's office, between the mayor and myself at which Mrs. Laroche came in at the tail end of the interview, and then later in the day, on Wednesday night.

Q. What was the gist of the conversation on Wednesday afternoon?

A. Excuse me but I am out a day in each case. My first conversation was with Mrs. Laroche on Wednesday night and my conversation with the mayor was on Thursday afternoon. I worked with Mr. Labelle on Tuesday night. I worked with Mrs. Laroche on Wednesday and Thursday nights and it was Thursday afternoon about 4.30 that the mayor came to me when I was working in the office and told me that he wanted to see me about a matter. I met him in his office, and he told me that Mrs. Laroche had mentioned to him the discrepancy I had found in the parking meter fines. He also wanted to know if I would have to report it and he wanted

to know if someone put the money back if I would have to report it. He did not indicate who would put the money back.

Mr. Yates: Q. Prior to this, Mr. Bolton, had Mrs. Laroche made any suggestion as to putting the money back and having you fail to report?

A. Mrs. Laroche did not make any suggestion of putting the money back. Possibly I was reticent in pursuing the conversation with her for two reasons. One thing, no other witnesses were present that night, and secondly, a matter like this is personally distasteful to me. All she asked me was what I thought could be done about it, and as far as I could see nothing could be done except to notify the bonding company that there was a possible shortage.

Q. The next day the conversation was between you and the mayor alone?

A. Yes.

Q. And the mayor suggested to you that if someone who remained nameless should put the money back, that you admit to be short, was it possible for you not to report?

A. That is correct.

Q. And then you said what?

A. I told him that I had already made my report, that it was typed and that I was mailing it that night and he said, "Well, if you have said that in your report then that is the end of that."

Q. Where did Mrs. Laroche come in?

A. She came in just about that time and the matter was discussed generally, and again the point was brought up that if possible they did not want the matter discussed because of the resulting scandal.

Q. They thought they had enough at the present time?

A. Yes.

Q. Then you said there was a second meeting with the mayor on the same day?

A. I left the office at 4.45 o'clock because there were a few concluding paragraphs I wanted to put in my memorandum which I mailed at 8 o'clock on Thursday night. I went back to the stenographer who was typing my report and I completed it and mailed it, and came back here to work on the portion of the investigation with respect to the insurance which I mentioned yesterday. I got back to the office about 8.15.

Hon. Mr. Roberts: Mr. Speaker, may I again ask the hon. member a question at this

point? I do not know how much of this evidence he intends to read, but in fairness to both Mr. Lavergne and Mrs. Laroche he should read their evidence in which they substantially deny what has just been read.

May I say this also before I take my seat? I do not want to be smart about this, but the way the hon. member apparently is approaching this matter, he ought to really apply for an investigator's certificate or licence before he goes on very much farther.

Mr. Bryden: Mr. Speaker, I am not at all concerned about the insults which the hon. Attorney-General attempts to hurl across the floor of the House at me. He obviously and quite properly is very touchy on this subject. He was negligent in his duty throughout the piece.

I am happy to know that he has finally indicated that he is doing something about it. But I submit to you, Mr. Speaker, that it is quite in order for me to read from an official transcript of evidence which is public information, and I intend to continue doing so. I have about 15 more lines to read and I will be through.

Hon. Mr. Roberts: And I would say that the hon. member has no intention of reading the evidence that gives complete denial to those statements. He has not the slightest intention of reading that evidence.

Mr. Bryden: Is the hon. Attorney-General making a speech, Mr. Speaker, or am I? I am quite sure that he will have all the opportunity in the world. I submit that it is time this was read into the record.

I may say that, although it is a public document, it is most difficult for the public to get access to it. I had the greatest difficulty and I could not get a copy of this report, but I did manage to get a photostatic copy of a number of pages. That is all I got and that is all I plan to read into the record. Unfortunately, with only 3 copies of this evidence available, it is very difficult for anyone to get access to it, and that is one reason why I am reading it into the record, Mr. Speaker.

Any of the hon. members opposite can read into the record any additional portions of it that they see fit but I am reading what I—

Hon. Mr. Roberts: We are not carrying on any trial here, and I am surprised with the way the hon. member is attempting to make this House a sort of kangaroo court. I am ashamed of him.

Mr. Bryden: Well, certainly the hon. Attorney-General is an expert at twisting everything that happens. I submit that reading from a transcript of evidence is not putting anybody on trial but is placing important information on the record.

As far as the hon. Attorney-General's actions until the very recent past were concerned, he apparently was very little concerned about it.

However, Mr. Speaker, I will finish reading the portion that I have before me, I am continuing with the evidence of Mr. Bolton:

I got back to the office about 8.15. Mrs. Laroche was in the office at the time I came in, and shortly afterwards the mayor came in and discussed the matter again. He said that he was perturbed about it and still felt that if the money was put back it might not have to be reported. By that time I had mailed my report to the department.

Mr. Blake: Q. But even if you had not mailed your report, would you have acceded to this suggestion?

A. I would not have acceded to his suggestion. If the money was put back I would have stated there was a shortage at this time covered by a deposit of such and such on such a date, but I still would have reported.

Which I think it was his duty to do.

Mr. Speaker, the hon. Attorney-General has now indicated that at long last he is looking into this matter so I will say nothing further about it.

Mr. G. Lavergne (Russell): Mr. Speaker, I rise on a point of privilege. The point of privilege is this, sir, that I refer to just two remarks the hon. member made when he said that the citizens' committee or somebody had to take the step. I think it should be read into the record here that the council and I did make application for an inquiry under this particular section of the Act. The council did this because of these rumours that were rampant in our municipality.

And the second point is this. I, sir, was under oath for over 5 hours, and I think that I am Christian enough that when I give evidence under oath, Mr. Speaker, I know the gravity of it.

All the time that this inquiry was going on I could not say anything. I had to sit back and take everything because I had been informed that if I were to make any statements before being sworn in, they could be construed as being prejudicial. And I just

want to get it on record, sir, that I gave all my evidence after being sworn.

Mr. MacDonald: Well, either Bolton or the hon. member for Russell was lying, one or the other.

Interjections by hon. members.

Hon. Mr. Roberts: Before the hon. member proceeds, may I make this statement in view of what the hon. member for Russell has said, Mr. Speaker. Now I ask for it on a point of privilege—

Mr. Bryden: What question of privilege is involved? I have said nothing about the hon. Attorney-General.

Interjections by hon. members.

Hon. Mr. Roberts: I rise on a point of privilege, Mr. Speaker. There have been statements made here reflecting on myself and my duties in the administration of justice and reflecting on the hon. member for Russell. The hon. member for Russell has just made a statement with respect to his own evidence under oath. I would say that on the summary of the evidence for this particular commission, which was a departmental commission, there is nothing on the advice given to me that would justify in any way, at this stage, the laying of any charge in the criminal courts against the hon. member for Russell.

Now, I want to make that clear because there are a lot of suggestions and innuendoes going on today. The investigation, of course, will proceed and what that investigation might bring up is a matter for the people who are doing it. But I want to make it abundantly clear at this point that there is no justification whatever on the evidence for the laying of any charge.

Mr. Bryden: The hon. Attorney-General told us a minute ago that it was impossible for him to make any statement on this affair at this stage, and now he takes advantage of my speech to make a statement. However, if, as the hon. Attorney-General has now announced, it is under investigation, I am prepared to leave it at that, and hope upon the completion of the investigation he will make a statement about it.

Hon. Mr. Roberts: That is where it should be left until this is finished.

Mr. Bryden: All right, the hon. Attorney-General was the one who made the statement about it, and apparently he has now given

the results of his investigation before the investigation is completed.

Hon. Mr. Roberts: Does the hon. member suggest that I have not done my duty? I say my duty has been done up to this time and will continue to be done in accordance with the requirements of my office.

Mr. Bryden: Well, that is what the hon. Attorney-General says and I submit that there is no question of privilege.

Mr. Lavergne: Mr. Speaker, on a point of privilege—

Mr. Bryden: The hon. member has just made a very lengthy statement on privilege, Mr. Speaker, which I do not begrudge him, and I have not said a word about him since he made that statement. Now, how can he have a further statement of privilege at this time?

Mr. Lavergne: Mr. Speaker, my point of personal privilege is in regard to the hon. member for York South who yelled across this floor that one of two must be lying. If the hon. member is the gentleman that I think he is, then he will withdraw that remark that he made and I would ask him to withdraw that remark, Mr. Speaker.

Mr. MacDonald: Mr. Speaker, I have no intention of withdrawing anything. I said that on the basis of the evidence which is sworn testimony. It is directly contradictory. One man or the other was perjuring himself, and therefore was lying. Now whether we will ever be able to discover who was doing the lying is something that perhaps the hon. Attorney-General ultimately—

Interjections by hon. members.

Mr. Speaker: The ruling is simply this, that when one member makes a statement in this House and gives his word of the truth of what he is saying, it must be accepted by other members of this House.

Mr. Bryden: Mr. Speaker, the statement made by the hon. member for York South to which the hon. member seemed to take such exception is obviously based on unimpeachable logic.

However, I would now like to depart from that particular matter and raise another matter which it seems to me the hon. Attorney-General should have looked into long ago but, as far as I know, has done nothing about. That is the matter of the allegation that certain funds were missing.

I would like to read a couple of paragraphs from a statement which the citizens' league of Eastview released to the press on November 30, 1960, at 10.15 a.m. Starting on page 2 of that statement, I quote:

During the course of the inquiry, evidence was presented suggesting that at least \$1,800 was missing from the town's funds. When it became apparent that the mayor had taken no steps to investigate the loss or apprehend the person responsible—although he was aware of it some time before the matter became public—the league discussed the matter with a representative of the local Crown attorney's office and with The Attorney-General's Department in Toronto. Tentative arrangements were even made to send an officer from the Ontario provincial police to Eastview to investigate the criminal aspects of the loss.

A decision was then made by The Attorney-General's Department to withhold any action until the final report was released. The local Crown attorney was advised to await further instructions from Toronto.

The league has now written to the Attorney-General requesting him to review the evidence with respect to this and other matters involving misconduct, and to carry out such police investigation, and to lay such charges, as the situation warrants.

We feel it would be improper for us, as private citizens, to lay criminal charges of any kind and we are relying on the Attorney-General, as chief administrator of criminal justice in the province, to take all necessary action.

Now, I would submit, Mr. Speaker, that—

Hon. Mr. Roberts: It would seem the hon. member knows who the criminals are, the way he is talking. Perhaps he would name them in the House, and then he may help us.

Mr. MacDonald: There is an irrelevant remark. The hon. Attorney-General should be ashamed of himself.

Hon. Mr. Roberts: We are in the midst of an investigation and this hon. member is making it almost impossible to carry it out.

Mr. Bryden: That is a nonsensical statement. These matters have been before the hon. Attorney-General for months. Now he announces he is in the midst of an investigation. I am glad to hear that, I am glad I have at least evoked some sort of statement from the hon. Attorney-General.

But the attitude of this government in the whole matter has long been that it is the responsibility of citizens on their own resources to institute all these matters. Frankly I would not blame them if they might have come to the conclusion that it was even considered to be their responsibility to investigate possibilities of criminal action.

However, I am glad to hear that at long last the hon. Attorney-General is looking into these two matters.

Now, Mr. Speaker, I wish to make some references to another matter which has been the cause of some controversy in this House. That is the question of the Sarnia land deal and the so-called inquiry that was held into it during the period of the recess.

I would like to point out first of all, Mr. Speaker, that I was present throughout the whole of this inquiry. I gave such assistance as I thought I was able to do. I think that a great many matters would not have come to the light of day if I and the hon. Mr. Kellock and certain others had not been there, notwithstanding the attempts of the hon. Prime Minister to try to make it appear that in some mysterious way we were acting in an improper manner in appearing before this inquiry.

I would state, Mr. Speaker, that we were persistently up against the difficulty that the commissioner apparently conceives his duties in terms of conducting something in the nature of a court proceeding, in which there was a plaintiff and a defendant or a prosecutor and an accused. In my opinion that is a totally incorrect interpretation of the role of a commission of inquiry, and it made it very difficult to proceed in this inquiry.

Constantly the challenge was hurled to persons such as myself to bring in any evidence we had. But I may point out, Mr. Speaker, that on a number of occasions when we wanted matters inquired into we had the greatest difficulty in getting any action from the commission or the commission counsel and in some cases simply had to give up.

Hon. Mr. Roberts: This is the same thing the hon. CCF members have tried in the past. This is all the same old thing over and over again. They try these tactics and do not know enough to stop. They have been licked on them about 20 times already.

Mr. Bryden: The McGillivray report, Mr. Speaker, was nothing but an uncritical rehash of the Hydro brief to the commission. The commissioner accepted the evidence of Hydro witnesses right down the line without question.

When this evidence was in conflict with that of other credible witnesses, the normal procedure was simply to ignore that other evidence, although in a few cases he mentioned it merely to brush it lightly aside. On the other hand, he was quick to seize on anything at all which might be referred to in support of the Hydro witnesses.

In some instances, he even cited the evidence of the totally incredible A. J. B. Gray for that purpose, even though in another connection he could not avoid saying that he was "unable to accept Gray's evidence regarding these matters."

Hon. L. M. Frost (Prime Minister): At this time I want to interject. I have been listening to the—

Mr. Bryden: On what basis does the hon. Prime Minister object?

Hon. Mr. Frost: I object to this.

Mr. Bryden: Well, I regret that the hon. Prime Minister objects, but I assert my right to continue.

Hon. Mr. Frost: I listened to—

Mr. Bryden: Mr. Speaker, may I point out that the hon. Prime Minister did not state that he was rising on a point of privilege or a point of order. He said he wanted to take objection.

Hon. Mr. Frost: I rise on a point of order.

Mr. Bryden: Well, what is his point of order?

Hon. Mr. Frost: I have listened to, I was going to say the hon. gentlemen opposite, but I will put it perhaps in language they understand. I would say the pair of hon. members opposite have spent the time of this House by innuendo and implication—

Mr. MacDonald: Mr. Speaker, that is not a point of order. It is not a point of order.

Hon. Mr. Frost: On a point of order impugning the honour—

Mr. MacDonald: This is not a point of order. I can get up and make a speech and tell him what I think of him. I will sit down when the hon. Prime Minister sits down and that is my position, Mr. Speaker.

Mr. Speaker: Order, order.

Hon. Mr. Frost: I want to go ahead with this.

Mr. Speaker: The members know full well that in asking questions, points of order and so forth, that sometimes an explanation is necessary. I have accepted this from all parts of the House, and I intend to do the same thing tonight.

Hon. Mr. Frost: May I say this—

Mr. Bryden: The hon. Prime Minister is not rising on a point of order. I assert my right, Mr. Speaker, and I appeal—

Interjections by hon. members.

Hon. Mr. Frost: I say this, that the hon. members are a disgrace to this House, both of them are! These hon. members have no regard for the honour of anybody, none whatever. They have no regard for the honour or privileges of this House. They have no regard for the honour or privileges of a justice of the supreme court either. They do not know what honour means.

Mr. MacDonald: Neither does the hon. Prime Minister.

Mr. Speaker: Order. I would point out that when the member for Woodbine rose to his feet and challenged my ruling on permission to rise on a point of order, he must know more than I do about what a member is going to say, or is possibly more of a mind reader. Now I presume that the point of order has been taken and everybody realizes what the point of order was. The honour of a member of this House has been impugned.

Mr. Bryden: I have been accused of impugning the honour of an hon. member, and I would like to know what the hon. Prime Minister is referring to. I would be perfectly prepared to withdraw any reference impugning an hon. member, but I was not speaking—

Hon. Mr. Frost: I would say that the actions of the hon. member are just beneath contempt. That is what they are, beneath contempt.

Mr. Bryden: Does the hon. Prime Minister recollect no rules in this House? He is in and out, back and forth.

Mr. Speaker: Order.

Hon. Mr. Frost: Well, it is a contemptible way to do business.

Mr. Speaker: I would ask the members—

Hon. Mr. Frost: I would say the hon. members are a pair.

Mr. MacDonald: A pair of what?

Mr. Speaker: Order, order. I would ask the members to observe the rules of the House and in all their remarks address the chair rather than across the House directly.

Mr. Bryden: Thank you, Mr. Speaker.

Hon. Mr. Frost: I say, Mr. Speaker, I take the strongest objection to this hon. member impugning the honour of a justice of the supreme court of Ontario. As a matter of fact, he is not satisfied but now he wants to assert that Mr. Justice McGillivray is dishonest. The two hon. members are the pair who are dishonest; they ought to be ashamed of themselves.

Mr. Bryden: Mr. Speaker, it is obvious that the hon. Prime Minister has no respect whatsoever for the rules. During the debate he will not keep quiet. He sits in the wings but comes rushing in to butt in.

I would like to state to you, sir, that it has always been my understanding—and I say this merely so that any conduct of mine may be understood by you—that when an hon. member intends to rise on a point of privilege or on a point of order, it is his duty to announce immediately that is what he is doing.

That is why, sir, I questioned whether the hon. Prime Minister was rising on a point of order, and if I was wrong in doing that, I apologize to you. I certainly accept your control of the House and your right to direct the affairs of the House.

But I would like to point out that the hon. Prime Minister has an entirely different set of rules for himself in his own mind.

I realize that you have a great difficulty in restraining him when he apparently considers that he is in a privileged position, above the rules of the House. He explained it all to us at the last session when he told us a little story about the law of Killaloe, the import of which was that the law was not applicable when he chose not to make it applicable. When he is operating under that impression, we will no doubt have great difficulty.

I submit to you, sir, that he did not raise any point of order, he merely jumped up in order to make a little speech of his own. I did not impute anything to any hon. member in this House, and I clearly did not do so because he could not refer to it.

I did not say that the judge was dishonest. I point out, Mr. Speaker—

Hon. Mr. Frost: The hon. member makes innuendoes on this occasion and everything else—

Mr. Bryden: I consider the source from which the remarks of the hon. Prime Minister came. If he chooses to call me dishonest in flat violation of the rules of this House, I take it only as another demonstration of his absolute contempt for the rules of this parliamentary institution.

By a narrow legalistic interpretation of the terms of reference, the commissioner managed to avoid dealing with the really vital issues coming before him. There has been no satisfactory explanation of why \$275,000 was promised to Mr. A. J. B. Gray, assessment commissioner for the city of Toronto, and the report makes no serious attempt to find one.

With regard to the \$14,000 paid to Mr. W. W. Gardiner, the commissioner managed to accept Gardiner's explanation that this was a "finder's fee," ignoring completely W. G. Clark's claim that it was he, not Gardiner, who did the finding. No serious attempt was made to explain why a further, much larger payment was promised to Gardiner.

The commissioner stated at the hearing that he took a serious view of the gifts made to Hydro's Hustler and Tidy by Dimensional's Ray and Sigler at a critical period in the Hydro negotiations. It turned out in his report, however, that his view was not really very serious after all. He made a gesture to propriety by administering a light rap on the knuckles of Hustler and Tidy, but apparently did not give any thought at all to what Ray and Sigler were up to in this incident. He refused to draw any logical inferences from these and other remarkable facts brought to light, with great difficulty, during the inquiry.

On the other hand, he apparently felt quite free to indulge in speculations which had no foundations of any kind, as for example his amazing statement that if the hon. member for York Centre (Mr. Singer) and the hon. member for Parkdale (Mr. Trotter) had been Progressive-Conservatives instead of Liberals "there can be no doubt about what inferences I would have been asked to draw."

Now, I submit, Mr. Speaker, that when a report goes into that sort of speculation it is time that we called a halt. The commissioner even went to the extent of delving through newspaper clippings in order to take off on a political diatribe against the hon. CCF leader.

He complained that some of the evidence

was irrelevant, but the greatest irrelevancy of all was a tidbit dragged by the heels into the inquiry by counsel for Hydro and Sigler and dragged by the heels into the report by the commissioner himself.

This was a reference to the fact that the hon. member for York Centre received a campaign contribution from Ray and Sigler when he was running for reeve of York township in 1956. I have no idea why Ray and Sigler offered this contribution or the hon. member for York Centre accepted it in running for reeve.

But one thing that is clear beyond all doubt is that it had nothing whatsoever to do with the Sarnia land deal. In fact, it took place long before that deal was even thought of. It was dragged into the inquiry—and I was present when it was dragged in, Mr. Speaker—for no other purpose than to divert attention from the very significant gifts made to Hustler and Tidy.

The inquiry lasted some considerable time but it was obvious after the first few days that the commissioner already had his mind made up. Under the circumstances, the best one could do was to try to bring to light as many facts as possible to be judged at the bar of public opinion.

This was a difficult and often discouraging process because, as soon as the Hydro case was in, the commissioner stubbornly resisted almost every effort to probe more deeply into the matter.

Hon. Mr. Frost: I say that that is a grossly unfair statement to make. I am not going to sit here and listen to this.

Mr. Bryden: Has the hon. Prime Minister the floor or have I, Mr. Speaker? The hon. Prime Minister can wait his turn. He speaks in this House day in and day out and he is not going to use my time to speak any further. Now will he sit down?

Hon. Mr. Frost: No. I will not.

Mr. Speaker, my point of order is that I think the proceedings of this House have gone beyond the bounds of all decency when an hon. member of this House uses his position to impugn the honour of an honourable judge of this province. Now, I think, sir, that this is going altogether far afield. In what the hon. member says—and it is a snake-in-the-grass way of doing things—he makes implications which, if believed, would rate the justice as being dishonest.

Mr. Bryden: The hon. Prime Minister is merely making a speech. He is not on any

point of order at all. I assert my right to complete my speech.

Hon. Mr. Frost: If the hon. member takes exception to the reference to snake, I withdraw that. But I will say that he is not any higher than that, you understand.

Mr. Bryden: The hon. Prime Minister does not need to withdraw anything he says about me.

An hon. member: We will take a vote on this and see who is right.

Mr. MacDonald: Oh, they will win, I know that.

Mr. Speaker, I ask you to have the hon. Prime Minister withdraw his comments that we are snakes or something as low as that. That is certainly not parliamentary.

Hon. Mr. Frost: Mr. Speaker, I will be glad to withdraw that expression, but I do say that they have not the slightest regard for honour or for decency in this House, none whatever. That is doubly so with that hon. member who sits behind the hon. member for York South. I say his actions here are contemptible and the hon. member is contemptible insofar as he supports him. I do not withdraw that.

Mr. MacDonald: Mr. Speaker, I just want to make one comment. The hon. Prime Minister has made a lot of comments and I shall quote Mr. Harry Truman in his book, *Mr. Citizen*. He said: "I do not give them hell. I just tell them the truth and they think it is hell." That is what is making those people squirm over there.

Hon. Mr. Frost: Mr. Speaker, I want to say this in regard to the honour of this House—this is a point of order—and to the honour of the hon. members of this House. I listened to this hon. member read certain evidence here which in no way—

Mr. Bryden: I suggest that the hon. Prime Minister show some respect for the honour of this House and obey the rules.

Hon. Mr. Frost: I say that it is a slimy way of doing things.

Mr. Speaker: I would point out to the members of this House that when extremely provocative speeches are made they arouse provocation. The member will proceed.

Mr. Bryden: Thank you, Mr. Speaker, and I would submit to you that I have no objection to hon. members interjecting from

time to time when I am making a speech, especially when, as you have pointed out, sir, it is a provocative speech. I would expect that that would happen.

But the conduct of the hon. Prime Minister here, sir, is not in that category at all. He has trampled the rules of the House into the dirt. He has no regard for them at all. I do not care one whit what he says about me personally, or all the personal accusations he throws against me. I have read some of the things he has said in this House on previous occasions. I know the type of man with whom I am dealing.

Hon. A. Grossman (Minister without Portfolio): I would like to get at the facts of this. The hon. member made a remark that there were some significant gifts made to Hustler and Tidy. Would he please inform this House what the significant gifts were?

Mr. Bryden: Mr. Speaker, I stated—and I can give it exactly as I said it—there were gifts—just a minute until I find it—I stated—

Interjections by hon. members.

Hon. Mr. Frost: The hon. member's charges were baseless and now he is trying to impugn the honour of the judge because his charges—

Mr. Bryden: Is the hon. Prime Minister making another speech? I do not see the reference that the hon. gentleman is talking about, but I believe I stated that gifts were made at significant periods in the issue. We can find out from the record tomorrow. I will put it on the record.

Mr. Speaker: I would point out that the question that was asked was: Would the member point out the significant gifts which were made, as he referred to them?

Mr. Bryden: In my text, I have "very significant gifts were made to Hustler and Tidy." At any rate, I was just on the verge of saying I am quite prepared to accept that language and I would state, first of all, that right at the period of the negotiations involving Dimensional Investments and Hydro, Mr. Ray, one of the partners in Dimensional Investments, made a gift of \$100 to Mr. Tidy for his use in an election campaign in the city of Toronto.

Interjections by hon. members.

Mr. Bryden: Mr. Tidy stated that he, at that time, did not know that Ray and Sigler were connected with Dimensional. But Mr. Ray and Mr. Sigler certainly knew who Tidy was connected with and I will restate—

Hon. Mr. Frost: Oh! There he goes again with the smears.

Mr. Bryden: Will the hon. Prime Minister please keep quiet and pay some attention? The other gift to which I had reference was a gift made to Mr. Harry Hustler—a gift of clothing. Mr. Hustler stated—

Hon. Mr. Frost: The hon. member could not be honest, could he? He could not be honest!

Mr. Bryden: Just let me finish. Does the hon. Prime Minister know more about this than I do? Mr. Hustler and Mr. Sigler both alleged that there was a discount given to Mr. Hustler. The document that was filed in the inquiry showed that the store in which the transaction was made was reimbursed for the total amount, not merely the difference between the wholesale and the retail price.

Now, that was the evidence. I know that the papers have constantly stated that this was a gift in the form of giving him clothes at wholesale. I say to you, Mr. Speaker, that the evidence on that point was by no means conclusive and the documentary evidence on the point was to the effect that the store was reimbursed for the total amount, not just the difference between the retail and wholesale prices.

Hon. Mr. Grossman: Would the hon. member mind if I asked him another question?

Mr. Bryden: Mr. Speaker, I have been held up here at least 15 minutes. I think I have been fair and reasonable in permitting questions and if the hon. Minister would permit me to proceed on this portion I would be very happy to answer questions when I am through.

Hon. Mr. Grossman: It is on this subject and I think the hon. member wants everybody to get a true picture of it.

Mr. Bryden: I have been giving a true picture of it. The hon. Minister does not need to tell me anything about it. I have given the complete evidence on the matter.

I have been quite indulgent with the hon. members and I have put up with a lot of abuse from the hon. Prime Minister. I know he is a master at the art of abuse and I will not attempt to compete with him in this field.

Mr. Speaker, before his prolonged interruption or in the course of it, the hon. Prime Minister accused me of using my position as a member of this House to do certain

things. I would point out to you, sir, that he cannot make that "old saw" stick. I know he tries to confuse issues by hurling accusations in all directions. Those are his tactics; to call names, hurl accusations, bring in irrelevancies.

But he cannot make this stick. I have said nothing on this issue that I have not said outside the House. I am not relying on any immunity which may apply to members of this House. I have stated everything I have said here and have been very careful to use the exact words. And, except to the extent that questions were asked, I have been using the exact words that I used outside the House. So this accusation, like most of the accusations which the hon. Prime Minister hurls around with gay abandon, simply will not stick.

The inquiry lasted some considerable time but it was obvious, after the first few days, that the commissioner already had his mind made up. Under the circumstances the best one could do was to try to bring to light as many facts as possible to be judged at the bar of public opinion. This was a difficult and often discouraging process, because as soon as the Hydro case was in, the commissioner stubbornly resisted almost every effort to call more—

Hon. Mr. Frost: I take objection to that statement. I say that statement is incorrect.

Mr. Bryden: I say it is 100 per cent correct. As a person who was there for every day of this inquiry, I state it is 100 per cent correct. And I say to the hon. Prime Minister that he was not there for one minute of the inquiry.

I would point out that we had to use every conceivable device to get matters inquired into and then we often did not succeed. The time finally came when one had to give up because one simply could not get the matter pursued to its final conclusion. This whole story has not been told and probably never will be told. Nevertheless, too much came to light to be glossed over in the manner attempted by the commissioner.

Hon. Mr. Frost: I take objection to that. It is a disrespectful and improper statement to make.

Mr. Bryden: I would suggest that the hon. Prime Minister sit down, because the point I am bringing out here is very important and it would do him some good to listen to it. Would he please sit down and obey the rules?

Hon. Mr. Frost: I say this is highly unsatisfactory and undesirable and is not worthy of this House. I would say the hon. member has not got the slightest conception of decency.

Mr. Bryden: I must say, Mr. Speaker, I have never seen anything more disgraceful than the absolute contempt which the hon. Prime Minister has shown, for the last half hour, for all traditions of British parliamentary procedure. I would merely ask him to sit down so that I may continue, as is my right under the rules of the House.

This much is plain: Dimensional Investments Limited could not even have got started on its grandiose Sarnia land deal if Hydro had not put up in escrow the whole of Dimensional's down payment of more than \$1 million. This payment in escrow was being discussed at least as early as October, 1958, at the very time when Hustler and Tidy received gifts from Dimensional's principals.

That is what is significant about the gifts. That is exactly what the evidence shows, and I have read every word of it and I listened to every word of it, and the hon. Minister without Portfolio has not read a word of it, I venture to say.

Hon. Mr. Grossman: I read the whole thing.

Mr. Bryden: Yes, when?

Hon. Mr. Grossman: It was long before Hydro put down any money.

Mr. Bryden: The hon. Minister says he read the whole thing. I am compelled by the rules to accept his statement. I wonder if he knows how many volumes of evidence there were that he claims he has read?

This allegation with regard to the payment in escrow was one of the 3 major allegations I made when I discussed the matter in the Legislature last February. I attempted to point this out at the inquiry, but the commissioner would not permit me to do so. Although the hon. Minister of Energy Resources (Mr. Macaulay) made a speech that lasted for several hours, in which he purportedly gave an exhaustive analysis of what transpired in relation to this transaction, he did not once mention this highly significant payment in escrow.

He did not point out or call to the attention of the House that the agreement between Hydro and Dimensional was entered into 3 days before the agreement between Dimensional and the Crown in the right of Canada. Those matters and others he did not call

attention to. I consider that significant. I attempted to call it to the attention of the commissioner, but I was not permitted to do so.

On the other hand, however, whereas the commissioner told me that statements made in the Legislature were of no concern to him, he gave other counsel wide latitude in selecting items from the debates and even from newspaper clippings, and he himself referred to such items in his own report when they happened to suit his purpose. But I was not permitted to call attention to any of these matters, Mr. Speaker.

Hon. Mr. Frost: What an objectionable way to go on: "When it suits his purpose." I would say that the judge is an honourable judge of the supreme court of Ontario, a man of high integrity and honour, and it ill becomes an hon. member to make charges imputing dishonesty.

Mr. Bryden: I must ask the hon. Prime Minister to permit me to deal with the specific point I was on. I tried to refer to the debates in the Legislature, but the commissioner would not permit me to do so. You can look at the report for yourself or any hon. member of this House may do so, Mr. Speaker. They will find the commissioner referred to debates in the Legislature at considerable length. He did not refer to any of the items I wanted to call to his attention, but notwithstanding the fact he told me he was not interested in the debates, he used them quite extensively in his report, and also newspaper clippings which were not even verified at the inquiry.

The payment in escrow was one of the major allegations I made when I discussed this matter in the Legislature last February. I made two other major allegations and I am satisfied that all 3 of these allegations were proved to the hilt in the evidence adduced in the inquiry. But, when I tried to demonstrate this to the commissioner, he would not even listen to me.

Hon. G. C. Wardrope (Minister of Reform Institutions): Why did not Mr. Brewin present the hon. member's case?

Mr. Bryden: I would point out, Mr. Speaker, that on this, as on other matters, the commissioner did not state the facts fairly. At the very outset of this inquiry, and it is there in the record for all to see, I stated to the commissioner I was appearing on behalf of myself and the other hon. CCF members of the Legislature, and that from time to time I would call in legal counsel to

assist me as I saw fit. The commissioner and others tried to make a great point out of the fact that I did not always see fit to call in legal counsel, that I carried on on my own. They tried to make it appear that in some way or other the legal counsel which I had engaged to help me, and who was to be available at my request, was somehow negligent in this matter.

This was a grossly unfair statement and not based on anything which I said when I presented my credentials and when the commissioner accepted me as being entitled to sit in. So, as far as Mr. Brewin was concerned, he was there when I asked him to be there, and that was the basis from the very beginning on which he was supposed to appear.

Hon. Mr. Roberts: Did Mr. Kellock submit those same submissions to the commissioner that the hon. member said he submitted, and he paid no attention to?

Mr. Bryden: No, Mr. Kellock made his own submission. Mr. Kellock and I, although we were not directly co-operating at all, certainly avoided going over the same ground. Mr. Kellock is able to speak for himself. I will not attempt to speak for him.

Mr. Kellock made a very lengthy, and in my opinion, a very cogent submission to the commission which lasted for some substantial time. I followed after him and attempted to supplement with matters that appeared to me to be important which he had not had an opportunity to cover. So, I do not believe we overlapped to any significant extent.

He made a very detailed argument in support of the proposition that there was a conspiracy. Now, I did not present such an argument at all, Mr. Speaker. I considered that Mr. Kellock was much more competent than I to deal with matters of that kind. He dealt with it at great length, and I had nothing whatsoever to say on the matter, although when one reads the commissioner's report, one would think it was I who was alleging the conspiracy half the time, when actually I had nothing to say on the matter, one way or the other. As far as I was concerned, Mr. Kellock had dealt with it quite completely, and much more adequately than I could have done.

Hon. Mr. Frost: I suppose Judge Macdonell was all wrong too, was he? Everybody is wrong but these people. Announcers are wrong, the judges are all wrong—everybody is wrong.

Mr. Bryden: Mr. Speaker, before I leave this particular matter, I would like to call to

the attention of the hon. Attorney-General the suggestion that he have his department or his advisors look into the matter of the evidence given at this inquiry by Mr. A. J. B. Gray of the city of Toronto.

Hon. Mr. Roberts: This has already been done.

Mr. Bryden: If it has been done, then I think the hon. Attorney-General should say something about it, because I would like to know the adequacy of the investigation that was made in this very lengthy and complicated transcript of evidence which went into almost 3,000 pages. I would be very glad to provide the hon. Attorney-General with innumerable instances of clear conflicts in the evidence of Mr. A. J. B. Gray.

Hon. Mr. Roberts: If the hon. member will just wait for a moment, I am sure this House is not interested in hearing about all these innumerable instances.

Mr. Bryden: Well, I am sure that I have a right to submit whatever I consider to be of interest to the House, regardless of whether the hon. Attorney-General is interested.

Hon. Mr. Roberts: Would the hon. member just let me answer that?

Mr. Bryden: No, I will not, the hon. Attorney-General has made 5 speeches already and he was not in order on any of them.

Hon. Mr. Roberts: Mr. Speaker, on a point of order, my hon. friend has said he is prepared to submit to me certain things.

Now I suggest that he submit them to the Deputy Attorney-General (Mr. Common) and go and discuss the matter with him. If he thinks that his judgment is better than his, go and see him.

Mr. Bryden: Well, I have no knowledge whatsoever about what his judgment is.

I have not heard any statement whatsoever from either the hon. Attorney-General or the Deputy Attorney-General in this matter, but I would like to call the attention of the hon. Attorney-General, and of his Deputy, to two particular items out of many that could be taken—two that I consider to be particularly important relating to the evidence of Mr. A. J. B. Gray.

First of all, I would state that Mr. Gray who, all told, appeared three times before the commission, in his initial evidence represented himself as having been involved in this matter in two capacities.

First he stated in effect that he had come in as a friend and a lodge brother of Clark, one of the real estate agents in the deal. He had come in to help out his friend. And then he said at a later stage he had got involved because he had attempted to act, shall we say, as an honest broker, as one public servant trying to help a public agency, namely, Hydro; that he had learned that Hydro was anxious to get certain land and he in his capacity as a friendly public servant was trying to help them along.

Now, Mr. Speaker, it was absolutely abundantly clear in all of the evidence, including the ultimate evidence of Mr. A. J. B. Gray, that that was not his role at all. Neither of those points really had anything to do with his substantial role. He was in it from the beginning as a principal negotiator and advisor to Dimensional Investments Limited. There is absolutely no question in the world but that he was given the very important assignment of swinging the deal with Hydro. That is clear beyond all possible doubt in the evidence, and yet it is completely in conflict with the statements that Mr. Gray originally made as to his role in the transaction.

Another statement he made, and which he insisted upon, was that he had made nothing out of it and furthermore there had not been any undertaking by which he would receive any remuneration. When he was pressed on this matter, he finally stated something to the effect that there had been some understanding that he might get some remuneration for future services.

After he had given that evidence in considerable detail and under considerable cross-examination, there appeared before the commission an exhibit as follows, a letter addressed to Mr. A. J. B. Gray. I am reading this particular exhibit as it was quoted in the commissioner's report, a letter to Mr. A. J. B. Gray, 81 Sighthill Avenue, Toronto 7, Ontario, dated January 16, 1959:

DEAR SIR:

Re: Purchase and future sale of Sarnia Indian Reserve.

This letter will confirm our understanding that Dimensional Investments Limited will pay to you as a consultant, in relation to our proposal to purchase and resell the above-mentioned property, a further fee of \$215,000 in full payment for all services rendered by you in the purchase and resale of the said property. It being clearly understood that this fee is in addition to the fee provided by contract dated October, 1958, in respect of the same property.

If I may interject here, Mr. Speaker, the contract dated October 1958 referred to in this letter of January 16, 1959, never did come to light. In fact, Mr. Gray denied that it ever existed, although there was the letter of January 1959 referring to its existence. But it appeared from other evidence that it provided for payment of remuneration in the amount of \$60,000 to which the \$215,000 would be additional.

Now I will quote further from this document, which was filed as an exhibit:

The said fee of \$215,000 will be payable as follows: Fifty per cent following the approval of the purchase by The Department of Indian Affairs and Governor-in-Council Canada and 10 per cent each 30-day period thereafter until fully paid but not later in any event than October 31, 1959.

(Signed)

S. Ray.

Saul Sigler.

and bearing the seal of Dimensional Investments Limited. On the bottom of this letter was written the following:

This letter is not to apply unless the purchase is completed by The Department of Indian Affairs and Governor-in-Council of Canada.

(Signed)

A. J. B. Gray

Mr. Speaker, I do not pretend to have any skill in legal interpretation but I submit to you that on the face of it this letter is a contract, a contract between these two parties, and Mr. Gray flatly denied in the hearing that there was any such contract. Until it came to light quite independently—

Hon. Mr. Frost: Might I ask the hon. member this question: Is he correct in his interpretation that Gray committed perjury? Now that is what he is alleging there. If that is true, what real relevance has that to the land deal and the matter to which this investigation was directed? I say that it has not the slightest relevance. It might render Mr. Gray liable—

Mr. Bryden: Mr. Speaker, I would be very happy to answer the question of the hon. Prime Minister. In fact, if he will just be patient I will cover the point he has raised.

I would like to say first of all this inquiry was frustrated and made exceedingly more difficult because of the perversity of the evidence given by Mr. Gray. He certainly put the whole inquiry off the track completely

and, Mr. Speaker, I do not think there is any assurance at all that we have heard the whole of the story as far as Mr. Gray is concerned.

Hon. Mr. Frost: The hon. member is correct in stating that it put the inquiry off the track to this extent: it put the inquiry, at the hon. member for Woodbine's request and at his direction, and his application, on a subsidiary issue which as a matter of fact had nothing to do actually with—

Mr. Bryden: The hon. Prime Minister is now answering his own question but I will complete my answer to it. As a matter of fact it had a great deal to do with the inquiry but we never did get to the bottom of that phase. I have already stated that much of the story has not been told and one of the reasons why it has not been told is the manner in which Mr. Gray—

Hon. Mr. Frost: The hon. member never called a witness.

Mr. Bryden: I asked for a great many things. It was not my function to call witnesses. It was the function of the commission counsel. The commission counsel came to me and asked me what witnesses I wanted called. I gave him the names and he called them. As a matter of fact, there was a witness I called that he would not call. But most of them he was willing to call.

But when we got into these other matters of the inquiry, we just could not get anywhere. We pushed and pushed and pushed and finally had to give up. One of the real factors frustrating the whole effort to get to the bottom of the affair was the nature of the evidence given by Mr. Gray.

The hon. Prime Minister is welcome to his opinion that it was all irrelevant. I submit that it was far from irrelevant. It was highly important in view of the key role that Gray played in the Hydro negotiations and the amount of money promised to him under this agreement and the other agreement referred to in it.

That is the first reason why I called attention to this matter, because Gray was an important factor in frustrating the inquiry.

But I think it can also be put on a broader basis, Mr. Speaker. I would submit to you, sir, that when a witness appears before an inquiry, a judicial inquiry, and gives evidence under oath which is totally unreliable, which misleads the inquiry thoroughly, that something ought to be done about it.

What guarantee can we otherwise ever have

that witnesses will in all cases give truthful evidence whether they feel inclined to do so or not? I think most witnesses quite willingly give truthful evidence, but not all of them. There is always the possibility they will not.

But what guarantee have we when somebody can come before an inquiry and give evidence of the nature of Mr. Gray's evidence, and apparently get away with it completely?

Now there is no reliability whatsoever, there is no possibility that a commission of inquiry can be satisfied that it is getting the whole truth and nothing but the truth if people get away with the sort of thing that Mr. Gray got away with. I may say in the case of York township there was a witness who appeared and has been charged with perjury. As far as I know this was off the mainstream of the inquiry, but I think it was quite proper that the charge should have been laid.

Now I am suggesting to the hon. Attorney-General that this whole matter should be sifted in very careful detail. I am not trying to state now what the results of his investigation should be, but I submit that I have already submitted to this House, and through you, sir, to him, sufficient cause to justify a very careful review of all of the evidence and of Mr. Gray's role in it.

The commissioner unfortunately did not see fit to deal with this particular matter although it was suggested to him that he should. The most he could bring himself to say was, for example, on page 76, when he said of Gray's evidence: "One feels his evidence is not to be relied upon." This is a very, very true statement, Mr. Speaker. And at another point he said that he was unable to accept Gray's evidence regarding these matters. I may say the term "these matters" there refers to certain specific matters.

Now, Mr. Speaker, I had hoped to deal with one other item in this speech. I would like to make just one or two references to it. I have been on my feet quite a long time, although I must say that the hon. Prime Minister has tried to help carry the burden for me and I think he has been on his feet about the same amount of time as I have.

Hon. Mr. Frost: That is a silly statement, one of the hon. member's half-cracked silly statements.

Mr. Bryden: There is another matter to which I attach very great importance. It is possibly not as controversial as some of the matters I have dealt with, Mr. Speaker, but it is nevertheless very important to some citizens of this community, including a good many people living in my constituency.

I am referring to the conditions of employment of prison officers and others employed at the metropolitan Toronto jail which is more familiarly known as the Don jail. I have been gravely concerned about what I conceive to be the highly unfair treatment these employees have been receiving.

Some of them, as I said, are my constituents, others are the constituents of other hon. members from the metropolitan Toronto area. I am surprised that they appear to manifest no concern at all about the conditions of these employees. But perhaps I am doing them an injustice, perhaps it is merely the case that they have not stated their position as yet. If they are concerned, as I think they should be, I hope that they will lend their voices in urging the government to end what is a blatant injustice taking place in this institution.

Essentially the problem is that the employees in the Don jail simply cannot get anybody to deal with them in matters relating to wages and other working conditions. They go to metropolitan Toronto and metropolitan Toronto says this is the responsibility of the provincial government.

They go to the provincial government and the provincial government says this is the responsibility of Metro. And so they are bounced back and forth.

Two or 3 years ago they organized as a branch of the civil service association, and I would just like to read a couple of extracts from letters which at that time they received from metropolitan Toronto on the one hand and the provincial government on the other.

On May 2, 1958, the association received from the chairman of Metro a letter which contained the following statement:

As I understand the situation, rates of pay, hours of work and other conditions are set by the province of Ontario through The Attorney-General's Department and not by the metropolitan corporation.

So on the strength of that, the association acting for these employees went out to the government, specifically to the then hon. Minister of Reform Institutions (Mr. Dymond). The letter they got from the hon. Minister of Reform Institutions stated:

I would say that any increases of salary that are made to the staff of any jail must first be recommended by the municipality involved. Therefore, I would say in the case of the metropolitan jail we would wait on a recommendation from metropolitan Toronto council.

This statement was referred to the chairman

of the municipality of metropolitan Toronto who again replied, stating:

Since the rates of pay and working conditions of the jailer and jail employees are the responsibility of the provincial government it is to the Minister of Reform Institutions that your representations should be addressed.

This letter also quoted section 369(2) of The Municipal Act as follows:

The Lieutenant-Governor in council may appoint the jailer, jail surgeon and other jail employees, and fix their salaries which shall be paid by the county or city as the case may be.

They then wrote to the hon. Minister in January, 1959, calling attention to an item which appeared in the *Toronto Globe and Mail*, which stated:

The salaries paid to junior employees at the Don jail are insufficient to keep a self-respecting man respectable, a York county grand jury reported yesterday. While Metro pays the salaries, the rates are established by the provincial government.

And then they got a letter of March 2 from the hon. Minister of Reform Institutions stating that there had been a settlement between metropolitan Toronto and the department and the employees were to be given an increase. This was really a big deal. It was actually a reclassification. Some of the higher categories got quite significant increases, the bulk of the employees got little or nothing. In fact, I think a few of them actually got a decrease.

And so they went on the old merry-go-round again, bounced back and forth from The Department of Reform Institutions to the municipality of metropolitan Toronto—back and forth, one party claiming the other was responsible.

All this time, the employees were unable to get any satisfaction on any of their legitimate demands. They were unable to get anybody to give any serious consideration to their requests for improvements in wages.

I would say to you, sir, that these requests were highly reasonable. In fact if the truth were known the employees of the metropolitan Toronto jail—apart from the reclassification which took place a couple of years ago and was not a true increase—have not received an increase in wages since shortly after the Boyd-Suchan jail break took place, I believe, in 1952.

In 1952 there was so much alarm about security conditions at the jail as a result of

the Boyd-Suchan break that somebody or other seemed to find the formula whereby these people could get an increase in wages.

But since then the formula has been lost again.

So here are these people receiving the same wages, apart from the reclassification, as have been paid for the last 8 years.

I would like, Mr. Speaker, to call attention to the nature of the wages and how they can be compared with other rates of municipal employees in this city.

For example, a courtyard attendant employed by the city, whose duty it is to control the vehicles in the car park at the city hall and keep the courtyard tidy, is paid \$4,217 a year. Yet a metropolitan Toronto jail guard who is responsible for the security, health, welfare and control of thieves, drunkards, dope addicts, alcoholics, mental patients, and so on, receives \$3,400 per year, and has to work and wait 6 years before attaining a top salary of \$3,900.

He has no guarantee that he will get it, but after 6 years he may get up to \$3,900 a year. This still leaves him \$317 a year behind a courtyard attendant who looks after the parking at the city hall.

I do not wish to suggest in any way that the wages of the courtyard attendant are anything but fair and just. But I would submit, Mr. Speaker, that the duties of a prison officer, of a guard at a jail, are very much greater than those of a courtyard parking attendant. Furthermore, his job is frequently a dangerous job. Yet these people at the Don jail are paid substantially less than courtyard attendants.

Now, in the face of this manifest injustice, Mr. Speaker, I would appeal to the government—I regret the hon. Minister of Reform Institutions is not here, I would like to appeal to him if he were here—to do something to end this disgraceful situation.

Surely human ingenuity can discover a way of breaking the ridiculous merry-go-round where people are bounced back and forth for years, from the province to the municipality, and back again, while all the time no consideration is apparently given to their legitimate demands.

Surely, ordinary justice demands that something should be done for them. I submit to you, sir, that the hon. Minister of Municipal Affairs, if Metro will not do it, should take the bull by the horns and simply announce that he is going to take whatever steps may be necessary to see that these people get a 15 per cent increase in wages retroactive to January 1 of this year.

That, I submit, is the very least that could be done for very loyal and hard-working employees who, I regret to say, are now extremely discontented employees. I am afraid we will find a steady deterioration in the staff situation at the Don jail if something is not done immediately to remedy this crying injustice.

As I said, I hope that other hon. members from the metropolitan Toronto area who have some of these employees as their constituents will also raise their voices on their behalf. I have tried to bring as much public attention as I can to this matter. I think it is now a matter that requires the co-ordinated efforts of all hon. members who have constituents affected. I am quite sure that together we can make the hon. Minister of Reform Institutions—who, after all, is a humane man—see the manifest injustice of this situation, and to induce him to brush aside legal technicalities and give justice to these very worthy public servants.

Mr. N. Whitney (Prince Edward-Lennox): I would like to ask the hon. member a question. In the first place, the hon. member referred back to the year 1952. Is it not true that since the year 1952 the price of farm products has decreased considerably? What recourse does a farmer have to get an increase? It seems to me everybody else can demand an increase.

And, Mr. Speaker, I do think that the price of food is decreasing since that time. I know that the hon. member's party is in league with the new farm movement, New Party, and so forth. Fine, let us hear more about it.

Mr. Bryden: Mr. Speaker, I would certainly feel very happy to attempt to speak on behalf of the farmers of this province. I agree entirely with the hon. member that they have received a very raw deal under this Tory administration, but I have already taken up a substantial amount of time of this House, and I am afraid that as much as I regret it, I simply cannot go on now and deal with the question of the farmers of the province. I sympathize with them entirely.

I would point out, however, that one injustice does not justify another, and the injustice heaped upon the Don jail employees certainly demands attention, as does the injustice under which the farmers of the province are suffering.

Hon. Mr. Frost: Mr. Speaker, this hon. member has now impugned the honour and dignity of two judges, accused one of his fellow hon. members of being a thief, accused

two other hon. members of this House of being derelict in their duties. I would think that after two hours of wasting the time of this House, that that ought to be enough for one night.

Mr. Bryden: Well, Mr. Speaker, on a point of privilege, I did not call anybody a thief or say that anyone was a thief.

Hon. Mr. Frost: The hon. member certainly did.

Mr. Bryden: I did not say any such thing, Mr. Speaker. I did not do any of the things of which the hon. Prime Minister accuses me in his feverish imagination. There is not a word of truth in the allegation he has now made against me.

Hon. Mr. Frost: All right. I consider where it comes from.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, and hon. members. First let me add my sincere condolences to those of hon. members who have already related their feelings about the two members who have passed on. We have lost two exceptionally fine men in this House, and I sincerely believe the public has replaced them with two exceptionally capable men.

Quite some time ago in this debate, an hon. member from the CCF party boasted about the accomplishments of his party in adding the votes together. Now let me show the House just how unfair that calculation can be.

We had a by-election in the Niagara Falls riding. A few months before, I was elected to office with a majority of some 4,300 votes in what I considered at that time was a comparatively Progressive-Conservative riding. In the local by-election Miss Judy LaMarsh contested that seat against an exceptionally fine man, the reeve of Stamford township, a very likeable fellow, who apparently attached himself to the wrong kind of politics.

Judy LaMarsh could have spotted him 5,000 votes and still have won the election by over 3,000.

I only won by 4,300 but she won by 5,100-odd. Is it not remarkable where those votes did go to? But I would not want the hon. members to get the impression that most of that particular riding went to the New Party. It went to a fine man, one Ed Mitchinson who is now the reeve of Stamford township. He would have got more, possibly, if he had picked on one of the other two parties.

I do not want the impression to be created that we were so badly defeated, because I

hope that the Liberal party continues to get defeated the same way for many elections to come.

I might say that the hon. leader of the CCF party (Mr. MacDonald) should come back again and speak on their behalf because I am sure it will help me in the next election.

I do not know which one of the hon. members to censor after what happened to them in the last two hours. I do not know whether the hon. members across the House have been softened up at all. But I remember some of the comments made during the last 2 or 3 weeks and I would like to take the hon. Minister without Portfolio from St. Andrew (Mr. Grossman) to task.

He mentioned the name of a great Liberal leader, and he said that he did go to seances in England to find out what might happen. You can rest assured, Mr. Speaker, that he or none of his party had better go to seances, because they are liable to find out what is liable to happen to them. And it is not going to be too pleasant from what I gather throughout the riding.

Last night a statement was made by the hon. member for London South (Mr. White) I believe, and he said that the colleges have come up with a lot of support for the present government. But if one checks the records, he will find that when they set up their new Parliament in this House in January, they are going to come up with the first Liberal government that has sat in this House for over 17 years.

That may be an indication, and why I warn the fine hon. gentlemen across about what might happen to them. The only reason I do that is because we want some concessions down in the Niagara riding. The government should fortify its position down there and possibly try to reclaim that seat that it had at one time.

I am going to tell the hon. government members how to do that. It is an exceptionally complicated operation, but some of those hon. gentlemen have been good to me in the different departments and have conceded the odd point to me contrary to the laws of this province. But from the rich man's table a few crumbs happened to fall off into the Niagara Falls riding, for which I am thankful. But I do not think that we are getting what is coming to us in that riding from this government.

I drive from Niagara Falls, as many hon. members do, every week and I find many projects along the highway. I might say, to keep this on a high level so that no one can censure me for my actions here tonight,

that I did go to the hon. Minister of Labour (Mr. Daley) just before we adjourned, and I said: "I am going to speak on some of the issues in that Niagara Falls area and I would like you to be in the House."

I would not want to do what I did about a year ago and speak on some of the issues without having the hon. Minister here to answer my questions. So I decided I would speak on many issues. I understand that if we speak from notes, we are censured because it is implied that we speak from a written speech that someone prepared for us. However, I understand that if one speaks without notes, one is apt to go rambling about and make a terrible mess and not score any points.

I do not think one needs too many notes before him to find out that the big problem in the province at this time is unemployment. One need not drive too far along that highway to find that there is an exceptionally fine span which is long overdue at Homer.

I am thankful for that particular addition to the highway system. It is long overdue and it should have been in existence a long time ago.

I do believe that a new bridge is required at Lewiston and there will be a highway tying those two highways together and I think that is good too.

I am sorry the hon. Minister of Highways (Mr. Cass) has left. That hon. Minister has been exceptionally good to me. He listens to our woes and sorrows, he listens to our problems, and not too long ago there was another accident that killed another young man at that Dorchester traffic circle.

If that is true, and if there is so much unemployment and the department is going to do additional work, I only wish that it would spend a little of that money on the Queen Elizabeth way.

I do not think I am asking for too much and it could be a good place to hire a few more men. I think it is necessary.

Coming through St. Catharines, I find that there is an exceptionally fine park being built there, and I spoke to the hon. Minister of Labour who is also chairman of the parks commission, about this. I suggested to him that it was not a bad idea. However, the parks commission in the last year made over \$600,000 net in their concessions along the Niagara parkway. Some of that money could be spent in that area, especially in Fort Erie and along those banks. It could be spent in the wintertime.

I believe a lot of fill could be put in along that bank. I believe a considerable number of men could be put to work there.

I am not going to more than touch on the tax question. I feel that in all the concessions where the Niagara parks commission does business in direct opposition to private enterprise, that they should pay taxes. The parks commission has to be subsidized; otherwise they maintain a wonderful park.

But if the money is there, I think the people of Niagara Falls, Fort Erie and Niagara-on-the-Lake, could use a little bit of money. They are paid grants in lieu of a business tax, but not as much as it should be. And so I think the parks commission should take that into consideration.

Dufferin island has been a very controversial area from time to time over whether it should be developed for swimming or not.

Last summer they did put up some makeshift restrooms for the youngsters who bathe at Dufferin island, and I think there should be something there of a permanent nature, similar to facilities that they are going to build in this beautiful park in Lincoln county.

I do not believe that the hon. members opposite are that political—that they would deprive a riding because they happen to have a Liberal member there. Another year I might come back and say I have changed my tune. I feel that the government is neglecting my riding and naturally the whole loaf is only so big and the attitude is: "We have to provide for ourselves, so you will have to be left out in the cold." I do not say that hon. members across will take that attitude.

Now then, I made reference to the police force—

Hon. C. Daley (Minister of Labour): May I ask the hon. member a question? I do not want to interrupt his train of thought. We have somewhere in the neighbourhood of \$600,000 that goes into employing people from the area of the hon. member—as many as 700 during the summer months.

There is a benefit that goes directly to the people who live in that area. We do not keep it. We spend it in the maintenance of the park system. It provides a free park for everybody along the way where other municipalities a distance away have to provide their own parks. The hon. member's constituents have one of the finest parks in the world right at their doorstep, costing them nothing, plus the employment of 700 people.

Mr. Bukator: To follow that a little further, I concede that point to the hon. Minister. We were talking about unemployment. I took it for granted that with the surplus of money

the government has, it could continue to employ these fellows through the winter doing the very sort of projects that I was talking about. One is to trim the trees and repair the banks, and another is to maintain these skating areas, which is not asking too much. And they could employ a few more men because they are just as concerned about unemployment as we are on this side of the House.

An hon. member: They are hired.

Mr. Bukator: Fine, I am glad to hear that because we will be at the warden's dinner tomorrow night in Niagara Falls, and I am going to tell them the excellent job this government is going to do. A few more men will be hired and restrooms are going to be fixed up.

Hon. Mr. Daley: They are already hired, quite a number more than we felt were needed, but in view of the unemployment situation, we are keeping a number on who ordinarily would be let off.

Mr. Bukator: I am proud of the riding I represent and I might say "thank you very much for the job that you did in Chippawa." Now all I am asking for is a duplication of that on Dufferin island and in Fort Erie. I believe there are steps being taken to take care of that too.

But again I would like this in the record: that if it comes about during the present term of office, I can say that "even though they gave it to you I assisted in getting it for you."

And if there should be such a thing as a seance meeting somewhere, and hon. members across find that they are going to be left out in the cold, I would like to say that I not only helped but we, the Liberal government, gave this to them.

I think one should be optimistic. The only reason I am being that way is because I heard hon. members across talk about doom and gloom. I do not want to talk about that, I want to be optimistic.

In respect to the hon. Minister of Health (Mr. Dymond), he is doing a good job with what he has to work with.

Mr. R. M. Whicher (Bruce): You mean with whom he has to work.

Mr. Bukator: But he just does not have enough money and so he cannot do the things he would like to do.

They talk about a winter works programme. I remember the home for the retarded children and the petition that they talked about here at some length. I am not going to go into that, but I have a lot of detail on how many children are waiting to be admitted to these homes, and if the government across would like to take on the programme, I suppose they could put up that kind of construction in the wintertime or early spring.

In the north they tell me they need winter works just a little worse than we do—do not do it in the Niagara Falls riding they say.

The hon. Minister of Education (Mr. Robarts) is not here either. You know, I am taking quite a beating when I speak at night like this. I did it the last time and there are not many here to talk to.

But the hon. Minister of Education mentioned this teachers' college last fall—it was going to be in Lincoln county maybe.

If they would build this home for the retarded children in Welland county, just across the line from Niagara so I cannot take credit for it, that would still be quite suitable. But the hon. member for Welland (Mr. Morningstar) might want a little bit of support, and I think we would be happy to step across the line and visit the children there rather than drive to Orillia. I know that this is necessary and I know that it is coming about, and I understand 5 are wanted or needed. But if this government would just build two—one in the north and one in our part—they would make an awful lot of people happy.

That is part of a good winter works programme.

Getting back to the hon. Minister of Highways again, I still want my Dorchester circle fixed up. The hon. Minister was out when I spoke about it and I did not realize it.

I am sorry the hon. Minister was not in the House, because another person was killed on that Dorchester circle. The last time I spoke to the hon. Minister, he did say to me that they had been looking at that particular hazard and that they will some day eliminate it.

He did say this to me though, being the good Progressive-Conservative that he is: "We are starting at the other end and we will finally come down to you."

This is winter work that is necessary. Step over the line and give us the little break that we are looking for. Buy up the rights-of-way now while they are cheap and nothing is built on them. That is food for thought.

I see the hon. Minister of Travel and Publicity (Mr. Cathcart) sitting there reading

the paper and I would be terribly remiss if I did not take a "backhander" at him.

Hon. B. L. Cathcart (Minister of Travel and Publicity): I am listening to the hon. member. How could I read a paper when the hon. member is talking?

Mr. Bukator: Well, I am awfully sorry. I will not hold the hon. Minister here much longer. He must admit that I am much nicer to him than was the hon. member who spoke before me.

I remember the hon. Minister down at the Brock hotel. There was an exceptionally fine luncheon there and I was invited down to join them and we were talking about the fine job this particular department was doing.

I do not want to completely censure him. How can one slap a man's wrist and then expect some concessions?

So I said to the hon. Minister, at that time: "Did you look out the window? On the American side you will see that they are building large parking areas and a beautiful park, beautiful drives from Niagara Falls, New York, to Buffalo. If you do not do something about our area, you are going to find that this is going to be a secondary park as compared to that one across the river."

It is a wonderful development. This man, I do not want to mention his name, is doing such a good job over there, along with the former chairman of the bridge commission, as a matter of fact, who got this beautiful bridge built.

I once thought that one day it was going to be built across from Grand island, in my part of the riding, but I find it has been moved down the river some 15 or 18 miles, across the line in Lincoln county.

I assure the hon. Prime Minister (Mr. Frost) that if ever we build a monument to an hon. gentleman who did something for his riding, I know the first man we should build that monument for.

It is proved by the vote that he gets. He has done an excellent job but I do hope that some of this spills over. We are all one in the province of Ontario, and we all should be treated alike.

I am reminded of a story of Abraham Lincoln. He gave a man a letter of recommendation for a job, and he wound up by writing this: "I know this to be the truth because the man told me so himself."

I know that this is the truth, because the hon. Prime Minister has told us so often how fair he is, and I know that one day he will treat us all alike throughout the province.

That is the only way to keep on that side of the House, and we will stay here begging. But if he does not contribute these things that we ask for, the day may come when he will be sitting over here, old and decrepit, and we the younger party will give him the assistance that he wants. We are more fair in that way of thinking.

Now hon. members across often talk about the doom and gloom and here I am being very optimistic.

An hon. member: With all that baloney, I would say he is.

Mr. Bukator: And I can assure the hon. member with all my baloney that I will be elected again.

Let me be a little bit critical. I have heard hon. members on all sides of the House give the workmen's compensation board a lot of credit. Maybe they have done an exceptionally good job with what they have to work with again, and that is money. But I have letters in my files from people who have not, I believe, been treated fairly by this board, and I have appealed to this board for these people.

Apparently regulations and statutes are the things they are governed by and they are not broad enough to extend these services to these people beyond these limits, and therefore they cut them off at that particular line.

Now I do not think that an hon. member of this House should have to go down to the workmen's compensation board or write or contact them to plead the case, because if one did that one could be a full-time lawyer for these people. I believe that the case should be settled on its merit, and I sincerely believe that a lot of people, from the letters that I have, are not getting a "fair shake" from the workmen's compensation board.

I do believe the hon. members on the other side of the House have had the same experience as I have.

Now I am talking about the small minority. I am talking about people—will I get into health and welfare for a little bit too? I can tell this House of people who built their homes and have a little car and find themselves with the years sneaking up on them with sickness in their family. They have to buy special medicines and find themselves having to sell their cars, and mortgage their homes, late in life to get the necessary medicine to keep them going.

I do not think we should have to go to that extreme before they get the necessary welfare required in that family. They should be left solvent and be assisted when necessary

so that they can maintain their home and their pride and live like the citizens of this country should.

Oh, I know I am asking for a lot when I ask for almost-free medicine. But there is a saturation point and there are only so many dollars to go around.

If the hon. Minister of Education was here, I would suggest to him that he should look at that school question much closer than he does. Maybe he looks at it very thoroughly. But he does not have the dollars to go around.

The hon. gentlemen on the other side of the House have a problem. I would be the last in the world to try to tell them how to run their affairs, because they have their fingers on the purse strings, they have the knowledge of where their revenue comes from. With this new Department of Economics setup, they might come up with the answers to the problems before the next general election.

If they do, they will still be there and we will be here begging. But I can assure them that, should there be a change in opinion in the province, then I believe that we will be working out this problem for them, because I think we know some of the answers.

I am wondering—just to think out loud—after the hon. Prime Minister has rendered such a service to the province for 17 years, what is going to happen in this House when he decides that he has had enough. Which hon. member is going to sit in his seat, and how popular will he be when he goes to the people?

Civil defence is a subject I am well acquainted with.

Hon. W. M. Nickle (Minister of Planning and Development): Ask the hon. member for Windsor-Sandwich (Mr. Belanger) over there, what he thinks about it during the time of the explosion.

Mr. Bukator: Oh yes, I know, it just took about 2 or 2.5 hours to get the go-ahead from the hon. Attorney-General (Mr. Roberts) to let people go to work. They did not have authority to go in on the job to assist those people without calling the hon. Minister of Planning and Development. He did not happen to be in, because he is a busy man, so they got the hon. Attorney-General who said "go to work."

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, may I be permitted to rise on a point of order? I think it would be worthwhile advising the hon. member that the part of civil defence that really was needed, and

needed badly at that time, was ready. The medical phase was ready when the first patient was admitted to the hospital.

It is a very interesting story, Mr. Speaker. The chief of staff of this hospital, which is situated across the street from the explosion, saw it happen and phoned the hospital so the emergency department was ready to receive the first patient. I think that this should be pointed out—the medical part of civil defence was in operation before the first patient was admitted to hospital.

Mr. Bukator: I do not disagree with the hon. Minister. Those people are doing an exceptionally good job.

Hon. Mr. Nickle: May I say a word? Shortly after the Windsor disaster I received a letter from the hon. member for Windsor-Sandwich and I have his permission to quote him, in which he said that had it not been for civil defence things could have been a very great deal worse. He said he wanted to pay great tribute to that branch of my department of government.

Mr. Bukator: And I not only agree with the hon. Minister of Health but I agree with the hon. Minister of Planning and Development.

What I am trying to say is this, that 5 or 6 years ago we put the civil defence into motion in the county of Welland in such a way that nothing in this province could compete with it. We had 5 officers ready to go to work; we had thousands of free people who wanted to work and the government did not and would not cover them with compensation. I had soldiers or policemen walking around the streets in uniform and they were not covered.

Hon. Mr. Nickle: They are covered by compensation.

Mr. Bukator: When?

Hon. Mr. Nickle: About the last year.

Mr. Bukator: Is not that remarkable! I am talking back 5 years—finally the government has covered them for compensation. They cannot go on the job until they get the go-ahead from one of the two hon. Ministers. I do not think they are playing the game the way it should be played. If a disaster comes about they cannot go about contacting the hon. Prime Minister, the hon. Attorney-General, or the hon. Minister of Planning and Development to get the wheels in motion.

Hon. Mr. Nickle: It has been in effect for a year. Will the hon. member not give us credit for it?

Mr. Bukator: Mr. Speaker, I intended to speak on this when the estimates come about and I will tell you a story of a type you have never heard before. The only thing that was wrong with the organization in the county of Welland is that we were moving much too fast and they did not have any money to help us. At that time all it would have cost the provincial government was 25 per cent; the federal government was paying 50 per cent and the municipality—the county of Welland—was paying the other 25 per cent.

Today the major share of that money comes from the federal and the provincial governments to the tune of 90 per cent. All it costs the municipality is 10 per cent.

And I say that the wheels are in motion, only they have not been greased well enough to continue on and do a good job for this province. We will all be in the same boat when they drop that bomb. They tell me it will have no respect for the Liberal, the CCF or the Progressive-Conservative party; it will take care of us all.

Now then, they should either do a job for us or if they cannot—

Interjections by hon. members.

Mr. Bukator: I suggest to hon. members that civil defence is much improved, though there is a lot of room for more improvement. But I do believe that the people should get the service required. I think that they look to the government, even to the Opposition, to give them the necessary protection.

I might again stress that Welland county has an organization second to none, even though the government did not have the money for us.

Now then, I understand that the House adjourns at 10.30. It has been exceptionally nice talking to hon. members. I do not think I have missed too many of the hon. Ministers. Did I miss the hon. Minister without Portfolio (Mr. Root), the reverend gentleman? I have a meeting with the hon. Minister of Transport (Mr. Rowntree). He is not here and I do not want to offend him at this time because a delegation is coming over from Niagara Falls expecting some concessions.

I do believe the problem of unemployment can be settled. A little more help to those in my neighbourhood would certainly help me in the next election. Do not completely

eliminate the Opposition. Who knows, some day we will have the hon. members opposite in the same spot they have us.

Again, Mr. Speaker, I feel it has been a privilege to be able to speak to this House. It has been a wonderful experience over the last 10 or 11 months. Hon. members can rest assured that I am not going to be satisfied with a few crumbs of bread from the rich man's table. I want lots, not only for the riding of Niagara Falls, but also for the whole province of Ontario.

Mr. A. Carruthers (Durham): After the uproar to which this House was aroused a few moments ago, with the hon. member for Woodbine (Mr. Bryden), I simply wish that the peace and tranquillity of the Christmas season will descend on this House tonight.

Mr. Speaker, I move the adjournment of the debate.

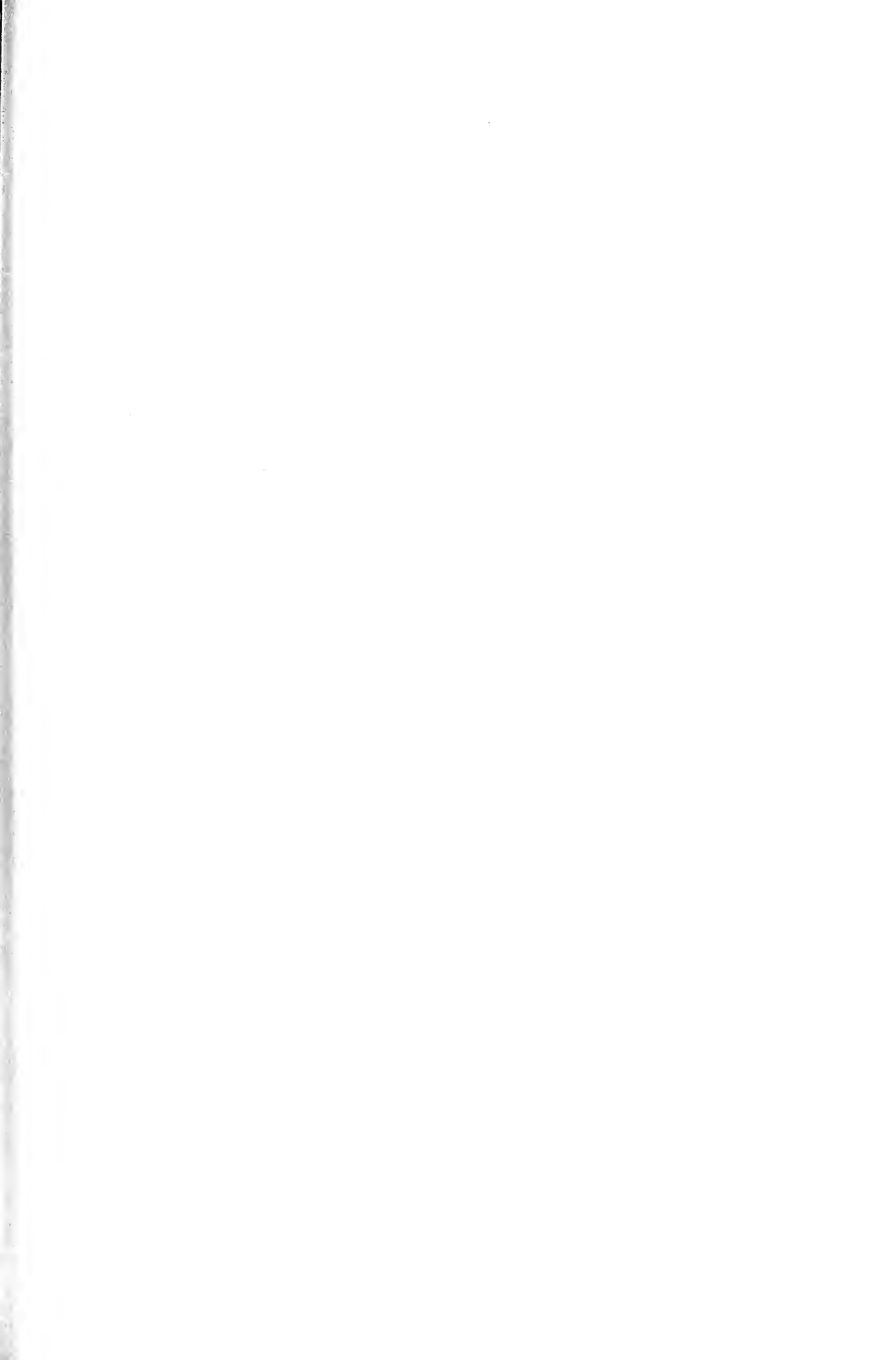
Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the adjournment of the House, may I say that tomorrow we will have the estimates of The Department of Mines, third readings, second readings, the committee items on the order paper and possibly item No. 24, which is the consideration of the report of the select committee. I doubt if we will reach that, but we will do it if we can.

I move the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, December 15, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 15, 1960

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Orders of the day.

Mr. L. Troy (Nipissing): Mr. Speaker, before the orders of the day, I crave the indulgence of this House to bring to their attention the name of a certain gentleman, Mr. A. W. Percival, in my home riding of Nipissing and the city of North Bay. He is an employee of this provincial government and of the Ontario Northland Railway.

This gentleman has made 80 donations of blood to the Red Cross and his blood is of that rare type of A-negative. I think that I should call this to your attention and particularly to the hon. Minister of Planning and Development (Mr. Nickle), who has to answer to this House for the Ontario Northland Railway and also to the hon. Minister of Health (Mr. Dymond).

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move that you do now leave the chair, and the House resolve itself into committee of supply.

Motion agreed to.

House in committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF MINES

Hon. J. A. Maloney (Minister of Mines): Mr. Chairman, as has been said in the Throne speech, we are experiencing a change in our economic climate. Discussions in this House and the policy of the government are such as to indicate that the situation gives cause for real concern. This by no means indicates

that Canadians are not entirely confident of their ability to meet the situation.

What may be true of business generally is emphatically not true of the mining industry in this province, which in most of its phases has shown steady and continuous growth during the year. The growth will be reflected in the production figures, which unfortunately are not yet available for presentation, but which we in the department confidently expect will exceed last year's all-time record of more than \$980 million.

We have every reason to hope that, when the returns for 1960 are all in, the total will, for the first time in the history of the province of Ontario, exceed \$1 billion.

That is a tremendous achievement by any standard, and when we compare this total with the total output of 5 years ago, when it amounted to a little over \$590 million, or of 10 years ago when it stood at about \$375 million, or 13 years ago when it was less than \$190 million, then we get the picture in its true perspective of rapid and continuing growth.

Let there be no doubt of this, Mr. Chairman, mining in this province has more than kept up with the postwar advances in the industrial capacity of other lines of activity, and in a year when many well-meaning people fear that the economy is losing its drive and the wheels of progress are slowing down, the mining industry has continued to move ahead, providing the sinews for increased productivity in all fields.

The effects of our mining industry are far-reaching indeed. The industry gives direct employment to about 60,000 people. These 60,000 wage-earners, together with their families and dependants, could populate a city as big as Hamilton. Thus, from the point of view of the provincial payroll alone mining looms large in our economy. I would not hazard a guess as to the still greater number of people whose livelihood depends wholly or in part in providing the machinery, equipment and materials required to keep the industry functioning.

Last year, as I have said, Ontario's total mineral production was worth \$980 million. I infer from statements made by certain hon.

members opposite that they would assume from this that mining is a vastly lucrative occupation which permits private individuals and companies to milk this province of its natural resources without making any sort of equitable return.

Let me point out, Mr. Chairman, that nothing could be further from the truth.

Mr. K. Bryden (Woodbine): What about the widows and orphans?

Hon. Mr. Maloney: Possibly there was a time when mining was a sort of hit-and-miss proposition, when a relatively small investment in a proven ore deposit could be parlayed into a fortune. Had this not been the case at Cobalt in the early years of the century, it is altogether doubtful if the Timmins brothers, the McMartins, W. G. Trethewey, Alex Longwell, and the others whose fortunes were spawned in silver, would have been able to pioneer the development of our far-flung mineral empire.

But Cobalt was unique. It was a "poor man's camp" whose mineral wealth lay close to the surface and so could be recovered at comparatively little cost.

Most of the mineral value of the pre-Cambrian shield is deep-lying, so that in Ontario it can be said that there is no such thing as a small mine. This means, in effect, that millions of dollars might be spent in a new operation before the first dollar's worth of valuable mineral can be recovered.

Investment in mining is a highly speculative venture at best, and to those who in a tangible way have expressed their faith in the greatness of our mineral heritage, I would say they richly deserve their reward.

In that same vein I would point out to my hon. friends opposite that the great mining corporations, of which we hear so much, are founded actually on the sum of the small investments of people like ourselves—school teachers, lawyers, small-town businessmen—and of stenographers, secretaries and housewives. The participation of any of us in the development of Ontario's expanding mineral industry is limited only by our own inclination and our own share of investment capital.

So much for the speculative. The beginning of actual production does not mean that it is all clear sailing from then on in. Running costs of a mining operation are necessarily high—normally at least 75 per cent of the total value of production.

For example, in 1959 when production totalled \$980.58 million, the industry spent about \$750 million in wages and salaries,

mine supplies, fuel and electricity, prospecting and exploration, workmen's compensation, capital building expenditures and federal and provincial taxes. Thus, the whole economy is strengthened and enriched in a continuing process which starts with the development of our mineral riches.

Mr. Chairman, we have heard a great deal in recent years about the desirability of carrying the fabrication of our minerals to a further extent in this country, rather than being satisfied with exporting them in the form of ore or in some other crude form of development.

I can see nothing whatever wrong with this proposal, except that it is neither practical nor possible to accomplish the objective overnight. There can be no doubt that when hard economics dictate that the great capital outlay required for the construction of such plants might be profitable, they will be built here in Canada, just as many have been built and are being built now. But, until we have the population and the ability to carry such operations, we have no alternative but to continue to export a large part of our mineral production as we are now doing.

Let me hasten to add, Mr. Chairman, that in my opinion we are not doing badly at all on that basis. During the first 9 months of this year the total of Canada's exports—a total that has kept this country in fourth place among the world's trading powers—was just over \$4 billion. Of this total, mineral products worth \$1.319 billion accounted for more than one-third and headed the list, before wood products and paper, and agricultural products.

A few minutes ago I lumped tax costs with the other essential expenditures incurred in mining operations. Since direct revenue is of distinct interest to this House, I might now point out that in the last fiscal year, ending March 31, 1960, The Department of Mines was able to turn over to the consolidated revenue fund a total of \$14.25 million, and we anticipate that for the present year this revenue will be increased to \$19 million.

All but about \$1 million of this total is acquired in the form of a royalty tax on mineral production. The rest is made up of royalties chargeable to the production of natural gas, charges connected with mining claims, laboratory fees and other services provided by the department to the mining industry.

In view of this decidedly worthwhile contribution made by the industry to the provincial coffers—the fact that The Department of Mines is one of the revenue-producing

departments of this government—makes it very easy for me to come before the hon. members asking for the comparatively modest sums required to carry out our work for another year.

While I do not want to labour the point, I think I should emphasize once more that the primary principle followed by this government in levying taxes against mining enterprises is based on the constitutional fact that the Crown lands on which valuable mineral is found belongs to all the people of this province. It is only right and proper that the people should be reimbursed for the use of these lands, and for the mineral which is extracted.

There are several ways in which this might be done. We could fall in with the recommendation of some of our vociferous hon. critics opposite and levy a tax that would ensure that the mineral rights would remain with the Crown forever—because nobody could afford to engage in mining.

We believe that we have struck a fair balance in which the rights of all the people, and the rights and the investment of the mining interests, are both safeguarded by levying a just and equitable tax on profits shown by the operators. This amounts to 6 per cent of the first \$1 million profit, 11 per cent of the excess over \$1 million up to \$5 million, and 12 per cent of everything over \$5 million.

William H. Durrell, president of the Canadian institute of mining and metallurgy, the general manager of Hollinger North Shore Exploration Company and the man who was very largely responsible for bringing the great iron ore deposits of Ungava into production, said recently at a meeting in Toronto that, in a field where world competition is intense, there are several other nations as well-endowed with deposits of iron ore as Canada is.

Mr. Durrell went on to say that the one great advantage that Canada enjoys over most of the other producing countries is stable government and a healthy political climate. It is surely our responsibility to keep it that way.

Mr. Chairman, for the next fiscal year we are asking approval of ordinary expenditures totalling \$1.886 million to carry on all the functions of The Department of Mines. I suggest that in relation to the importance of the work that is done with this money, it is an extremely modest requirement.

I give full credit to the highly trained and efficient staff of my department for their ability to do so much with so little. The

sum of our anticipated expenditures during 1961-1962 is greater by \$175,000 than the amount budgeted for the current year. Nearly all of this increase can be accounted for by a single activity which I will discuss in a few minutes.

The main office of the department is the centre of the administrative services. It handles all operations that are not otherwise allocated to specific branches, including accounts and mine assessment, publications, public relations and information, the library and the internal service of the department. Included in the main office vote are the costs of operating the office of the mining commissioner. The total main office expenditure for the coming year will be \$556,000. This is covered in vote 1301.

The amount is greater than the corresponding total for the current year by \$34,000, of which \$12,000 is to be applied to the cost of producing geological reports and maps. This publication programme has been streamlined so that the lapse of time between acquiring the information and having it placed before the public has been greatly reduced. We expect that this improvement in timing will become still more marked.

Compiling the information that goes into these reports and maps is the responsibility of the geological branch, made up of a group of devoted and highly trained specialists. We are asking \$486,000 to maintain this essential service for the next fiscal year, as shown in vote 1302.

It will not have escaped the notice of hon. members that this amount is greater by \$152,000 than the corresponding vote was for the current year. There is no mystery about this, and I think that time will show it to be one of the finest investments this government has ever made in the development of our natural resources.

I have already pointed out, Mr. Chairman, the enormous increase in production which has been recorded by our mining industry in recent years. I suggest that a lot of serious thought should be given to the situation if this upward trend is to continue—or even if present levels are to be maintained.

Some of Ontario's mines that had their start when the century was young are still going strong. The Cobalt area, that was to be written off in the 1930s, refused to die and things look brighter there today than they have for a long time. The mines of the great Kirkland Lake and Porcupine gold camps are still yielding their annual quota of new wealth. Unhappily, though, 3 of these mines have been earmarked for closing

within the next few months. Sudbury is producing more now than it ever did before.

Against these we must place the names of mines which 20 years ago were known everywhere and now are only memories. To name only a few in this group of former major producers, there are Buffalo Ankerite, Little Long Lac, Toburn and Hard Rock. The list could be extended very considerably.

Mr. H. C. Rickaby, Deputy Minister of Mines, stated that:

We must recognize it as one of the facts of life that any mine—any mineral deposit—is marked for death the day the first ton of ore is removed. Fields may yield their crops year after year. A forest can be cut down, but it will grow again in a generation. Minerals cannot be replaced. Once taken, they are gone forever, and no ore reserve, however great it may be, is unlimited.

Thus, there appears to be only one answer if Ontario's mineral industry is to continue and if we are to keep our economy and our way of life at its present level. More minerals must be found if more mines are to be brought into being to replace those that become exhausted.

Excluding the kind of blind luck that resulted in the discovery of the Sudbury and Cobalt fields, I know of only one way in which mines can be discovered. That is through thorough geologizing of the area, and the intelligent application of the information that is made available through the results of geological survey work.

We read these days about committees and commissions studying the very important matter of conservation of our natural resources. Surely our mineral resources constitute a tremendous part of such a study. In fact, in a large part of the northern area of our province they are by far the most important factor. Moreover, it seems impossible to me that any committee will be able to deal adequately with conservation of these mineral resources without the utmost possible information as to what those resources are.

Hon. members will recall that in 1959, this Department of Mines and the government of Canada entered into an agreement to share the costs of an airborne magnetometer survey covering 60,000 square miles—a vast area—of northwestern Ontario.

This was, I believe, the biggest single operation of its kind that was ever carried out anywhere in the world. So successful were the results that agreement has now been

reached to carry out a similar project, covering approximately 35,000 square miles from the Manitoba boundary easterly and south of Red Lake. We hope that work carried out on a similar scale each year for about 8 years will be sufficient to provide this essential data for the whole province.

I am quoting again from Mr. Rickaby:

I suggest that the most important thing that has happened in the picture of Ontario's mining during the last several years has not been the great individual discoveries at Manitouwadge, at Elliot Lake and elsewhere throughout the province. These have been vitally important, and their value has already been demonstrated. Even more important though, I think, is the new concept through which the resources of Ontario and of the Canadian government are being combined in these great geophysical surveys. The value of these surveys and of the ground reconnaissance that is to follow will be shown in the years immediately ahead, when the anomalies that are shown up on the maps will become the centres of new mining enterprises.

Ours is a vast province—about 400,000 square miles—and it is obviously impossible to accomplish detailed geological mapping of such an area in a generation if we must depend entirely on the old laborious ground survey.

If, on the other hand, airborne geophysical surveys could be instituted on a greatly expanded basis as part of our annual geological programme, we could know within a very few years just what areas throughout the whole province are most amenable to mineral deposits. Outstanding anomalies, which will without doubt be shown up, could then be examined in detail by ground survey.

This will be a fairly costly programme, and for that reason I hope most fervently that the negotiations between our government and the Ottawa government for a continuation of the work on a cost-sharing basis will be successful. If the development of our mineral resources is considered to be in the public interest, I can think of no more profitable way in which public money could be invested.

Perhaps, Mr. Chairman, I should point out that these airborne surveys are not intended to replace the painstaking geological reconnaissance which must still be undertaken on the ground. They do, however, point up the most promising areas for detailed work, and save incalculable time and effort.

Each year the provincial geologist has a number of survey parties at work mapping the geology of specified areas. The reports and maps of the geologists' findings serve as an essential guide to prospectors and mine developers in planning new operations. It is readily apparent that this field work comprises one of the most important functions of our department. During 1960, there were 15 such parties in the field. It is the intention to send out an increasing number during 1961 providing that the necessary qualified personnel can be obtained.

My department has been carrying out a very intensive geological mapping programme in the Blind river area in recent years. A total of 20 townships have been mapped and preliminary maps covering 12 townships have been issued to the public. Eight more are being prepared for publication.

It is planned to extend this mapping during the coming season towards Massey, Ontario.

Our present information is that there are extensive exposures of diabase rock on some of the islands in the north channel of Lake Huron. If this material meets required specifications there is an abundance of it, ideally located, for marketing in the great lakes area. It is my understanding that steps are being taken to utilize this material. And if successful, it is hoped to give additional employment to the region.

In addition to the Toronto-based staff, the department maintains resident geologists at Cobalt, Kirkland Lake, Timmins, Port Arthur, and Kenora to give help and advice to prospectors and mining interests in their respective areas.

We plan to continue the classes for prospectors again during the winter season, although as yet no final decision has been made as to the points at which the classes will be held.

Now, Mr. Chairman, we come to the work of the mines inspection branch for which we are asking \$260,000 which is slightly less than the estimate for the present year. This amount, covered by vote 1303, includes \$1,000 required by statute to maintain an account to defray the cost of operating mine rescue stations. Eventually, of course, all monies expended for this purpose are refunded by the mining industry.

The highly qualified engineers of the mines inspection staff are responsible for the enforcement of those parts of The Mining Act, and other factors that have to do with the operation of mines. The inspector works in close co-operation with the mine operator and

the working miners in the interest of safe mining practices.

The cable testing laboratory, whose operation is one of the functions of the inspection branch, and whose operating cost is included in vote 1304, provides a highly specialized service to the industry. The Mining Act requires that all lengths of cable used in mine hoisting—except those used in Koepe hoists—be subjected semi-annually to tests in this laboratory to ensure that their tensile strength provides a sufficient margin of safety for the loads they are called upon to carry. The series of tests culminates in the actual breaking of the test length of cable in a machine that is capable of exerting tension of a full million pounds.

I should like to take this opportunity of repeating the invitation of former years to any hon. member who would like to see this laboratory in operation, to step across to the east block at his leisure. The total cost of operating the cable testing laboratory for the next year is estimated at \$51,000, down slightly from the estimates for this year. Most of this outlay will be recovered in the form of fees collected from the companies served by the laboratory.

Research into the nondestructive testing of hoisting rope is being continued in collaboration with the Ontario mining association. The department's 50 per cent share of the cost of this project is included in the estimate for the cable testing laboratory.

Under the same vote, 1304, is included the cost of operating the provincial assay office. This laboratory, located in the tower of the east block, provides an indispensable service to prospectors and exploration and mining companies in giving scrupulously accurate assays of rock and ore specimens submitted for analysis.

There is a fixed schedule of charges for this work, but the major part of it is done free on the basis of coupons issued upon the recording of claims and the performance of assessment work. The details of the coupon system are set out in The Mining Act.

The cost of operating the laboratory for the coming year is estimated at \$80,000, unchanged from the present year.

The third service, the cost of which is included in vote 1304, is that performed by the Temiskaming testing laboratories at Cobalt. For 39 years now the Temiskaming testing laboratories have been an important and integral part of the cobalt and silver mining operations of the district. In it, ores are sampled and their mineral values are determined. After sampling and assaying, the ore

or concentrate is shipped by the laboratory to smelters on behalf of the producer.

The services performed by the Temiskaming testing laboratories differ from those of the provincial assay office in that most of its work is with bulk samples, although assay work for the mine operators is also done at Cobalt. The estimated cost of next year's operation of the Temiskaming testing laboratories is \$82,000, a reduction of \$1,000 from the estimates for the current year.

As in the case of the other two laboratories, most of this outlay is returned to the treasury in the form of payment for services.

Unfortunately, the Deloro Smelting and Refining Co. Ltd. has decided that it must close its cobalt recovery plant at Marmora. The closing of this plant means that the silver mining industry at Cobalt and Gowganda must sell to smelters in the United States on a month-to-month basis. This arrangement is not a satisfactory one for the industry, nor would it appear to be in the best public interest.

The industry and others interested suggested:

1. That the government of Ontario consider providing the financial backing for a custom milling plant in the Cobalt area, to be operated by a partnership of the mines involved. This proposal is being thoroughly studied. It, of course, would have to be predicated on the participation in the project of all the mines in the area. Negotiations to this end are presently underway.

2. The second and, no doubt, the more desirable solution is for an arrangement by which a Canadian company with custom milling facilities would undertake the milling of the ore in question, probably by way of the purchase of the ore concentrates itself. This would have the advantage that not only would the silver be saleable, but also the cobalt ore which otherwise might not be of value. I am glad to say that negotiations presently being held appear to have every prospect of success.

Now, Mr. Chairman, I want to assure the people, and particularly the residents of Cobalt, and the mining operators of that area that this matter is being given very close consideration by this government and is presently the subject of negotiations on both of the alternative points above mentioned. The government does not propose that the Cobalt camp should be closed—indeed, it will not permit this. It is satisfied that, by co-operation among the industries concerned, the community and the government, satisfactory arrangements can be arrived at which will

assure the continuation of the life of Cobalt which has made such a great contribution to the mining industry of Ontario.

Vote 1305 calls for an expenditure of \$30,000 for the year's operation of the office of the sulphur fumes arbitrator. This amount will be recovered in its entirety from the companies concerned in the work of the arbitrator.

This official is empowered by The Damage by Fumes Arbitration Act to investigate all claims of damage allegedly caused by fumes emanating from smelters and similar operations in the province. The arbitrator inspects and appraises the damage, and, if possible, arranges to settle the matter without a formal hearing. Nearly all claims are settled in this manner, but he does have the power to arbitrate a settlement, and in the event that his decision is disputed, the matter may be appealed to the Ontario municipal board.

The areas that normally come within the range of his activities include those in the Sudbury district where the International Nickel Company and the Falconbridge Nickel Company both operate smelters; near Port Colborne where Inco operates another plant; in the Wawa area where a sinter plant is operated by Algoma Ore Properties; and near Cutler where the Noranda Mine's acid plant is located.

Vote 1306 calls for an expenditure of \$341,000 to cover the operating costs of the mining lands branch. This represents a reduction of \$9,000 over the estimates for the branch during the current year.

The mining lands branch administers The Mining Act insofar as it pertains to the disposition of Crown lands for mining purposes. The province is divided into 14 mining divisions for the purpose of handling the work relative to the staking and recording of mining claims. Mining recorders and their staffs are located at 12 points throughout the province. There are 6 mining claim inspectors who are stationed strategically in 5 centres.

Hon. members will recall that, early in 1959, a special committee was established to ensure that the best possible use would be made of the natural resources of our province.

I think it might be worthwhile to quote the terms of reference within which the public lands investigation committee, 1959, were to carry on their work. These terms are as follows:

To inquire into and examine the laws of Ontario and other jurisdictions governing the granting, leasing, and other disposition of public lands for mining and other purposes, and to make recommendations for

the revision of the laws of Ontario relating to these matters with a view to attaining the best land use consistent with the development and utilization of the natural resources of Ontario.

I think we owe a real debt of gratitude to the members of the committee who accepted what they realized would be onerous duties, and carried out their investigations in a most thorough and conscientious manner. Sittings were held at key points throughout Ontario, and the committee consulted with officials of the Quebec and Manitoba governments on methods of dealing with their mining laws and public lands Acts. A great number of briefs were presented and weighed carefully by the committee members.

The committee was headed by Mr. J. Forbes McFarland, Ontario's very highly esteemed mining commissioner. Sitting with him were Major-General Howard Kennedy, as vice-chairman; Mr. Harold C. Rickaby, the Deputy Minister of Mines; Dr. M. E. Hurst, the provincial geologist; Mr. John Beattie, representing the Ontario mining association; Mr. Joseph J. Rankin, representing the prospectors and developers association; Mr. F. W. Beatty, the surveyor-general of Ontario; and Mr. J. S. Yoerger, Assistant Deputy Minister of The Department of Lands and Forests.

In the course of its duties, the committee accumulated a monumental quantity of data which is being sifted and weighed. We hope that the report and recommendations of the committee will be ready for presentation early in the new year.

Now, Mr. Chairman, I have covered in a general way all the ordinary expenditures that are foreseen by my department for the next fiscal year.

There remains just one item of capital expenditure to be discussed.

Vote 1307 calls for the disbursement of \$1,550,000 for the construction of roads. Since 1951 there has been an appropriation to The Department of Mines for the construction of access roads to open up the more remote but potentially richly productive areas of the province for full development. Until 1955 this programme was solely the responsibility of The Department of Mines, but in that year, because the benefits conferred by the roads were not confined entirely to mining interests, the base of the programme was broadened and an interdepartmental committee was set up to decide on locations and priorities for prospective roads.

Then in 1958 a new dimension was added when this government joined with the

government of Canada in its roads-to-resources programme.

The agreement calls for the two governments to share, to a total of \$15 million within the next few years, the cost of constructing a number of other roads in key areas in the northern part of the province. As was the case when it was entirely a provincial operation, where individual companies stand to gain immediate benefit from the construction of such a road, these companies will share in the cost—which would then be split 3 ways.

It will be noted that the sum we are asking exceeds by \$50,000 the appropriation for the current year. There is a sound reason for this. Under the terms of the agreement we may divide a maximum cost of \$3 million with the federal government each year. That will take care of \$1.5 million. The other \$50,000 will allow us to enter into other projects which would not qualify under the roads-to-resources programme. In effect, we are ensuring that we get \$100,000 worth of road for \$50,000.

To the present time well over 500 miles of new roads in 61 projects have been completed under the mining and access roads programme. Under the roads-to-resources programme another 155 miles have been completed and work is proceeding on an additional 57 miles. A further 91 miles of construction is scheduled in the projects so far approved by the two governments.

No one who has any knowledge of northern Ontario can question the great value of this work. In addition to their primary purpose of assisting in the development of the mining industry, these roads have opened up great tracts of timber land. They have given some isolated communities their only direct road contact with the outside world. In short, they have demonstrated clearly that with adequate communication, thousands of square miles of northern Ontario can be brought into productive usefulness, and made—even more than it now is—the backbone of this province's financial well-being.

I think, Mr. Chairman, that the remarks I have made will suffice to show that Ontario's mining industry is now, and will continue to be, one of the most important factors in Ontario's economy, and in our provincial and national life. I feel that the money that will be required to maintain the operations of The Department of Mines for the next year is an investment that will be returned to the public with interest.

Before I close I should like to take this opportunity of paying tribute to all of the

members of the staff of The Department of Mines. I think that without exception they are among the best and most efficient people in the service of the province of Ontario. A great proportion of them must, in the nature of the work they are called upon to do, be highly trained, especially educated, technical and professional people. In them, the people of this province are well served indeed.

Earlier this year we lost the services of Mr. Christopher McKinnon who, for many years until his retirement, had been the mining recorder at Kenora, and as such had been a friend and counsellor of prospectors and other mining people.

Before the end of this month we will be losing the services of one of Ontario's outstanding public servants in the person of Mr. Harold C. Rickaby whose retirement will close a long and distinguished record with The Department of Mines.

Mr. Rickaby joined the department as a geologist in 1927, became the Deputy Minister in 1938, and served under 7 different Ministers of Mines. During that period he has left a mark on the Ontario mining industry which will not soon be forgotten.

Mr. Rickaby, as I say, joined the department in 1927, in 1934 he became provincial geologist and since 1938 he has guided my predecessors and myself as Deputy Minister of Mines. I can tell you, Mr. Chairman, that never in my experience have I been permitted to associate with such a man who would invariably give such sound, intelligent advice that one need never question any decision given by him.

I am sure, Mr. Chairman, that in view of this tremendous record of service given by Mr. Rickaby to this department and to the province, all the hon. members of this House will join with me in wishing Harold Rickaby many long years to enjoy his well-earned retirement.

On vote 1301.

Mr. A. Wren (Kenora): Mr. Chairman, I wish to make a few remarks at the outset of the discussion on these estimates.

I must say that I was very impressed with the comprehensive outline given to us this afternoon by the hon. Minister of Mines. In the time allowed and the time usually devoted to the opening remarks of the hon. Minister it is not possible to cover all aspects of a department as important as this, but in his address today he certainly gave a real insight into the functioning of the department.

I want to join with the hon. Minister in

extending to Mr. Rickaby the very good wishes of all the people of Ontario, and certainly the people of northern Ontario, for the great contribution he has made to the natural resources industry in this great province.

I want to tell Mr. Rickaby that when he leaves the service of this government he will leave it with the respect of all the people of the province and with a hope that all public servants will aim to achieve the high degree of devotion to service which has been extended by this distinguished Deputy Minister.

I want to say, too, that his successor will find that particularly the people in northern Ontario will be pleased to extend to him the same kind of co-operation.

I want to mention a word also, as the hon. Minister brought his name up, of "Chris" McKinnon, who retired this year from the mines land service at Kenora. Mr. McKinnon has had a long career with the department and certainly was, as the hon. Minister has said, a great friend and counsellor to all those interested in mining activities.

I would add this, Mr. Chairman, and perhaps point out to the hon. Minister something he no doubt knows. Mr. McKinnon has in his possession certain documents, and certainly in his mind, a wealth of knowledge of mining and related subjects in northern Ontario. And knowing the man very well, personally, I know why he is not too happy in his mind with leaving his close association with mining people.

I would suggest, Mr. Chairman, that consideration might be given to asking Mr. McKinnon, and perhaps assisting him in some way, to prepare a history of the northern mining area, which I know he could very ably perform. And when the new building facilities of the department are available perhaps a small museum might be incorporated to preserve some of the rich history which is available to us all.

I was interested too in the hon. Minister's remarks of the investment in mining. The economic spur that leads to the production of mineral wealth comes, in many cases, from small people such as ourselves. He expressed the hope that our way of life in this province and in this country would be maintained.

I want to assure him, Mr. Chairman, that as far as the people who work in the mines are concerned, our way of life shall be maintained because they believe in the democratic society we have today and enjoy very much the fruits of reward for their labour in this important industry.

It is very significant that this industry now approaches the production of something near \$1 billion in new wealth this year from a very modest expenditure of \$1,886,000. When we realize that this industry has increased from a production of \$375 million 10 years ago to \$1 billion estimated in the very near future, we have certainly made great strides.

In that connection I want to mention one mine which I am sure the hon. Minister knows about, but in his remarks would not have had the time to mention. I am very proud to remind the House that this year, for the first time in 9 years, a new gold mine was brought into production in the province of Ontario, and that was in the Red Lake district, in my riding, the H. G. Mines Limited.

In mentioning the bringing into production of that property, I want to say something to those people who believe everyone makes a fortune out of mining. It took a high degree of courage to make the decision which brought that mine into production in the face of fixed price of gold and a premium Canadian dollar, and so on.

As the hon Minister knows, the ore is now being trucked over to an adjacent property for milling, and we all hope that the experiment is going to prove successful and that, as the property develops, better values will show up to ensure a good future for this mine.

In passing I do want to pay tribute to one of the elder statesmen in mining in Ontario. I refer to Horace Young who sponsored a great deal of the leadership which brought this mine into production.

In discussing the contribution this industry makes to Ontario, the nearly \$1 billion which comes from the industry, I often wonder if we should not get away from the term "northern" and "northwestern" Ontario. I have often wondered if it might leave the impression in other quarters that we are so far north that living is almost impossible. In most of our communities, and I think Red Lake and Pickle Lake are at the present moment the northernmost mining communities, one will find most of the modern facilities that one might find anywhere else in the province.

I have often wondered if we might reach back into history and borrow a term that was once applied to Canada generally. Perhaps we should think of our province as upper and lower Ontario rather than northern and southern Ontario because, Mr. Chairman, if you look at a map of Canada

and draw a line from Winnipeg eastward you will notice that most of Ontario, excepting remote regions in my riding, are south of a line drawn through the city of Winnipeg. So the term "northern" sometimes is a misnomer.

Mr. Chairman, I just want to illustrate what I mean. We are desperately short of professional people in the north, particularly dentists, doctors and lawyers. I had another experience just the other day as I had on a couple of occasions last year, where I interested a young professional man in going into the area and was invited to his home to discuss it. When his wife saw the map of Ontario and where they were going, they just put "thumbs down" on it. They had heard so much about the frozen wastes that she decided she was going to risk her fortune in the gay lights of metropolitan Toronto.

There is a great future up there for professional people. Much of the income those people will draw comes from the mining industry. It would be a good thing if we got more of an impression around that we are not quite the frozen elements as believed in some quarters.

The revenue of the department, as the hon. Minister has explained this afternoon, is expected to reach \$19 million this year, over \$14.25 million more than the year before. No doubt, some of the royalties will be lost due to loss of markets for uranium, but we are hopeful in the north at the moment that some of the research that has been done on the use of uranium products in steel might have a resurrecting effect on the community of Elliot Lake and other communities which have promising deposits of uranium.

At the present moment it is a matter of grave concern that a community like Elliot Lake should find itself in its present economic position. I can only repeat what I said last year, that I do believe it is a matter of serious neglect on the part of the federal authorities at Ottawa that this depressive state was allowed to develop. And I hope that never again will a mistake be made such as the political decision which was made to build a nuclear reactor in the province of Manitoba rather than at some point adjacent to the huge deposits of the mineral in this province.

In discussing the magnetometer survey the hon. Minister pointed out that last year they completed a 60,000 square mile aerial magnetometer survey in the area north of the main line of the Canadian National Railways, and I am speaking generally now of the Red Lake highway. I must commend the department for this forward looking

development. It has excited a tremendous interest in the area, and I think about half of my correspondence comes from people who ask me where they can secure information about the geography and the geology of the area, and what the possibilities are.

I found, I must say, splendid co-operation from the mining branch offices in Sioux Lookout, Red Lake and Kenora. They were able to direct interested people toward favourable-looking areas.

The department, too, has been very co-operative in making information available in those documents as quickly as the human mind and machines can peruse them.

I am very glad to find the decision has been made to conduct a similar survey in a 35,000 square mile area between Red Lake and the Manitoba border, speaking of the general area, because it has already been demonstrated that there are rather extensive deposits of base metals, particularly nickel, in the area north of Minaki and Caribou Falls.

I have every faith and expectation that, as that aerial magnetometer survey is proceeded with to the more remote regions north from there, very interesting anomalies will develop as they did in the area eastward.

I want to say before I sit down, Mr. Chairman, something about the misfortune which has befallen a worker in the mining industry. We all hope and pray that Allan Rose, who was so unfortunately injured at Hollinger some days ago, will, by the grace of God, survive. He comes from a part of England where my people came from. My people were Bolton and Wigan people in Lancashire, and while outwardly a Lancashire man is not the most friendly appearing type one might expect sometimes, inwardly the Lancashire people are very warm hearted. I think all our hopes go out to his wife in the very difficult period she is going through at the present time, wondering what medical science and the grace of God will bring for her in the next few hours.

It focuses attention, Mr. Chairman, I think, on a subject which is misunderstood in many quarters. We often hear of the great demands, the unreasonable demands that are made by trade unions upon the employers in some of these industries. But I think this brings more than ever to the attention of the public, at least the layman, shall we say, who has never been near a mine, how extremely dangerous the conditions are under which these men earn their living.

I do not know how many hon. members of this House have been underground in a

mine. When I was younger and going to school I worked underground myself and I know something about it. Every year I have occasion to visit mines and go underground every once in a while.

I might say to you, Mr. Chairman, and I am not the most fearless of people, that every time one comes up from underground, whether it is visible or invisible, there is always a feeling somewhat of relief that you are back on surface again, and everything is all right. It is the high type of courage that is part of the make-up of the men who work in these mines that has brought about in large measure this tremendous \$1 billion output from this industry in the province of Ontario.

Whenever negotiations are before the public in whatever form they take, I would ask the hon. members of this House, and other people, to weigh whatever unreasonableness might seem to be in their minds about working conditions and wages of these men against the very extreme hazards under which they work to produce this wealth.

Mr. D. C. MacDonald (York South): Mr. Chairman, before asking the hon. Minister a few questions that I would appreciate his elaboration on, I would like to add my word of congratulation and best wishes to the Deputy Minister on the occasion of his forthcoming retirement. Governments have come and governments have gone but this is one Deputy Minister who has gone on—not forever—but at least as long as he himself wished. Now he is retiring of his own choice.

I am certain that not only hon. members of the House but many throughout the mining industry extend their best wishes to him for many years of satisfaction and enjoyment.

I was very interested in what the hon. Minister had to say. I was even more interested in some of the things that he left unsaid, and it is in that connection that I wanted to ask him a few questions.

I was interested in what he had to say, because the story of the expansion of the mining industry in Ontario, so that it is now for the first time producing in excess of \$1 billion, is obviously a very inspiring story. And it indicates that while some portions of the industry are inevitably dying, others are being propped up, so to speak, and other new mines are coming in to fill the gap and add to this continued expansion.

Also, the revenue to the province from the industry—a point on which we in this group have complained and, I think, with some justification in past years—is now coming up, at least a little. I recall, some 2 or 3 years ago, when we increased the mining royalties

in the province of Ontario for a variety of reasons—arising from the decline in certain minerals and the fact that uranium had not yet come into production—the increase in taxes actually resulted in a net decrease in revenue for some 2 or 3 years. This year it appears that we are going to get back to about the levels of some 3 or 4 years ago, and next year the prospects are for \$19 million coming into the consolidated revenue.

The hon. Minister has given us a very good account of the financing and development of the industry, which reads well and touches the interest of people in the financial pages of the paper.

What he left unsaid, and what I would like to focus the House's attention on for a few moments, by way of 3 or 4 questions, is the impact upon the workers and the communities in which the mining industry happens to be situated.

For example, during the past year the hon. Minister has become the spokesman, on one or two occasions in Elliot Lake, for government policy in trying at least to alleviate, if not remove, the distress that this community faces as it seems to head down into the position of a ghost town. I recall getting a copy of his speech in Elliot Lake some 3 or 4 months ago. The House had a great many discussions last year—with half a dozen of the hon. cabinet Ministers all involved in the debate—indicating what the government was going to do to rescue Elliot Lake from its fate.

The hon. Minister introduces all his estimates today and yet he has nothing to say on Elliot Lake. I wonder if his silence is an accurate description of the impact and the results of the government policy. If not, I think the House is entitled to hear something of a report in this connection.

In similar vein, last year I raised with the hon. Minister the problem—and a very complicated problem it is—of the inestimable threat to the lives of people who are working in the uranium industry—the radiation hazard. I am not going to repeat some of the quotations and some of the observations that were made in reports of a Royal commission that was set up by this government indicating that this is a topic that was worthy of some further study. The hon. Minister indicated that the department was pursuing it.

Once again, this is something which the House is entitled to know—what, if anything, has emerged from the government's further studies—so that we may get a clear picture of the extent of the threat to the lives of these men and, whether or not they are unwittingly being the victims of a disease or disability

which will not develop until some years hence.

In the same vein, last spring, about the time the hon. Minister's estimates came before the House, he was approached by a delegation from Sudbury with regard to dust conditions in the nickel industry. A week or so afterwards they published in their paper, the 598 *News* of March 22, a copy of the brief. They pointed out that in some instances there had been improvements correcting these conditions—in Copper Cliff for example—but that in Coniston, where another problem of dust existed, there had been little or no improvement made.

At that time the hon. Minister quite rightly said that he had just been approached. He had not had time to investigate the situation. But something like 8 to 10 months have passed, and I would be curious to know what are the results of the hon. Minister's investigations following these representations.

Finally, if the government is now going to be in receipt of revenues from the mining industry almost double what they were a year or so ago—in other words, if we are now going to have \$19 million—I am wondering whether the government, through The Department of Mines or any other department, is willing to take a somewhat more generous view of the representations that have been made year in and year out by the mining communities. They, I think quite rightly, believe there is an extremely inadequate rebate in lieu of municipal taxes from mining profits. Again I am not going to go into the detail of this. This is something we have raised many times in the House—myself and hon. members from northern communities. If the answer of the government was that they were getting limited revenues—and heaven knows they were getting limited revenues despite the fact that the wealth produced was building up to the \$1 billion mark—now that they are getting more revenue does the government feel that they can respond more generously to these representations from the mining communities for greater tax rebates in lieu of the municipal taxes?

Hon. Mr. Maloney: Mr. Chairman, dealing with the last first: I am afraid that is a matter that is not within the jurisdiction of The Department of Mines. That problem is looked after by The Department of Municipal Affairs, and I know it is under constant study and revision by the government. But just what the final decision is as to increased payments I am not in a position to advise the hon. member because it comes under the

jurisdiction of The Department of Municipal Affairs.

Mr. MacDonald: The hon. Minister of Municipal Affairs (Mr. Warrender) is pretty busy at this time.

Hon. Mr. Maloney: He is always busy. We are all busy. He is doing a tremendously good job too.

With reference to the Elliot Lake story, as the hon. member for York South has stated, I did attend at Elliot Lake as the spokesman for the government to deal with the emergency situation that existed and does exist at Elliot Lake because of what has happened to our uranium contract.

I am happy to inform the hon. member that, as far as this government is concerned, we have already provided for the construction of a Department of Reform Institutions building that will accommodate 250 prisoners. Also a provincial park is in the course of being laid out.

We originally intended to build a highway, which we thought could have been done under a roads-to-resources programme. We now find that the cost of the project is such that it would not only deplete but overexpend the money available in the roads-to-resources programme fund and in The Mining Act road committee fund. So this matter is now under study by The Department of Highways. A route is being mapped out, an estimate of the cost is being made and this highway will be built.

Mr. MacDonald: Where is this proposed highway? What is the route?

Hon. Mr. Maloney: This route leads from Elliot Lake towards the Chapleau highway.

With reference to the radiation problem: That matter, of course, is under constant study. At present, I believe, federal authorities have stepped into the picture and we are expecting to receive a report from them fairly soon.

With reference to the delegation from Sudbury concerning the dust problem: We sent our chief engineer, Mr. Bawden, to Sudbury to study the complaint made, and a pretty thorough study of the conditions there has been carried out. Dust samples are still being taken. New ventilation systems have been installed in some of the mines.

I do not know exactly what the situation is at Coniston but I will make enquiries and let the hon. member know. We should soon have a report on the whole situation.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, before we get into the specific votes, I, like the others, would pay my respects to the hon. Minister—a very amiable man—and the Deputy Minister, whose retirement will take place very shortly.

I think all hon. members of the Legislature will agree with me that in Mr. Rickaby we have an exemplary Deputy Minister who has served this province, and particularly this department, during fabulous periods in the story of mining in Ontario.

Mr. Chairman, the reason for rising at this time is to direct a series of questions to the hon. Minister with respect to iron ore.

It is my understanding that iron ore is being found in vast quantities in northern Ontario at the present time. It is likewise my understanding that vast quantities are being found in Quebec; that at the present time we are producing for foreign markets and our own domestic market far less than is being produced in Quebec; that the basic foreign market at the present time is the American market, a market that is being required to be serviced with more and more tons of iron ore all the time.

By 1980, I believe, it is anticipated they will require 100 million tons more of ore than they require today. The question is, where will that iron ore come from?

It does seem to me that here again, as in so many instances, we must determine our policy. Therefore the questions I would ask the hon. Minister are firstly these:

Have we any policy to determine whether or not we are going to concentrate in north-western Ontario, for example, where there are large bodies of ore, or up in the James Bay and Belcher Island areas where likewise there are large ore bodies? Have we any programmes to select one area over the other, immediately and in the foreseeable future?

Am I right when I suggest that the big determinant in the production of iron ore is transportation and power, factors over which the provincial government has almost exclusive control? That is, they have exclusive control over power, I suppose; and certainly, I hope, increasing control over freight rates and the like.

My specific questions are these:

1. What is the hon. Minister's opinion with respect to the opportunity of development of iron ore in northern Ontario?

2. Has the department any policy as to concentrating its efforts in one part of northern Ontario as opposed to another?

3. Has the department any immediate and

fixed policy regarding assistance to the industry with respect to freight rates and transportation costs and power?

Hon. Mr. Maloney: As the hon. member knows, this, as I understand it, is a free-enterprise province. This government does not pick out the parts of the province of Ontario in which the iron ore should be developed. It is the industry itself that concentrates on that.

Mr. Wintermeyer: Should the government do it?

Hon. Mr. Maloney: Why should the government do it?

Mr. Wintermeyer: I am just asking.

Hon. Mr. Maloney: We cannot tell these people where they are to go and produce their iron. If they want to produce it up at Atikokan or at Lake St. Joseph or at Calabogie, or anywhere iron ore may be found, that is their business. This is not a socialistic country yet. We cannot do these things which the hon. leader of the Opposition suggests the government should do.

Mr. Wintermeyer: Mr. Chairman, I am quite serious about this.

Hon. Mr. Maloney: I am quite serious myself.

Mr. Wintermeyer: I do not think the answer is whether we are going to be socialistic or not.

Hon. Mr. Maloney: The question of the hon. leader of the Opposition was: Has the government decided where iron ore is going to be produced?

Mr. Wintermeyer: Where the department is going to concentrate its efforts.

Hon. Mr. Maloney: We do not concentrate, we do not produce iron ore.

Mr. Wintermeyer: I appreciate that, but has the hon. Minister no contribution to make to this industry?

Hon. Mr. Maloney: We will make a contribution in any part of Ontario where iron ore can be found.

Mr. Wintermeyer: All right. Specifically, is the department going to spend any money to subsidize the cost of hydro in any part of Ontario related to the development of iron ore?

Hon. Mr. Maloney: The hon. leader of the Opposition is asking a question having to do with subsidy. No request has been made for a subsidy by the iron-ore industry.

Mr. Wintermeyer: Would the hon. Minister consider it if it was made?

Hon. Mr. Maloney: We always consider any reasonable request.

Mr. Wintermeyer: Would the hon. Minister give his assurance to the iron-ore industry today that it is the policy of the government to assist them?

Hon. Mr. Maloney: Whenever the iron-ore industry comes to the government and asks.

Mr. Wintermeyer: Have they made such a request?

Hon. Mr. Maloney: No.

Mr. Wintermeyer: Has no request been made to the hon. Minister?

Hon. Mr. Maloney: No request made to what?

Mr. Wintermeyer: To assist by way of power cost?

Hon. Mr. Maloney: To the iron-ore industry?

Mr. Wintermeyer: Yes.

Hon. Mr. Maloney: No.

Mr. Wintermeyer: By any of the mining fraternity?

Hon. Mr. Maloney: Well, now, we have had a delegation in from the Ontario mining association regarding power costs but not from the iron-ore industry.

Mr. Wintermeyer: Mr. Chairman, I do not want to fence with the hon. Minister. Is it not known that the industry is much concerned about this problem of power cost?

Hon. Mr. Maloney: Certainly, and so are we much concerned.

Mr. Wintermeyer: Surely, surely. As a matter of fact, have they made representations?

Hon. Mr. Maloney: The iron-ore industry has made no representations at all.

Mr. Wintermeyer: All right, but the industry generally.

Hon. Mr. Maloney: No, not the industry generally, either.

Mr. Wintermeyer: Any spokesman for the industry?

Hon. Mr. Maloney: It is usually on behalf of the gold-mining industry.

Mr. Wintermeyer: I see. And what is the policy of the hon. Minister in that respect?

Hon. Mr. Maloney: We have not been constructing a policy. Hydro are the people who determine what hydro rates should be and, as the hon. leader of the Opposition knows, the hon. gentleman whose resignation he demanded not too long ago is one of the men who has to be contacted on this matter. I believe he has been home long enough, though the hon. leader of the Opposition has indicated he is not home often enough, to be contacted on it. I think a solution will be arrived at that will be satisfactory to the industry.

Mr. Wintermeyer: Mr. Chairman, I am very interested in this question. I am not trying to be facetious about it. I am of the opinion that the glowing story the hon. Minister has told this afternoon will only continue to be a glowing story in the future if his department does take an active part in leading the industry, and I think one of the ways it can lead is to provide cheap transportation and power.

Hon. Mr. Maloney: Does the hon. leader of the Opposition suggest we are not taking an active part in leading the industry? Why, ours is the greatest mining province in Canada.

Mr. Wintermeyer: Oh, no, it is not.

Hon. Mr. Maloney: Certainly it is.

Mr. Wintermeyer: Why, Quebec is producing far more iron ore today than we are.

Hon. Mr. Maloney: Does the hon. leader of the Opposition want to sell us down the river again?

Mr. Wintermeyer: No, I do not.

Interjections by hon. members.

Hon. Mr. Maloney: Mr. Chairman, I am not finished. I am still answering the hon. leader of the Opposition regarding freight rates. He knows that this government has nothing to do with freight rates.

Mr. Wintermeyer: Oh, no, I do not.

Hon. Mr. Maloney: If he does not, he should.

Mr. Wintermeyer: What about Manitoba?

Hon. Mr. Maloney: I do not know anything about Manitoba.

Mr. Wintermeyer: Well, I am telling the hon. Minister that Manitoba is taking an interest.

Hon. Mr. Maloney: We are dealing with Ontario. The freight rates in this country are set by the board at Ottawa, the board of transport commissioners.

Mr. Wintermeyer: I do not want to be quarrelling with the hon. Minister.

Hon. Mr. Maloney: The hon. leader of the Opposition is not quarrelling with me. For me to quarrel with the hon. leader of the Opposition—why, he would not last long enough there.

Mr. V. M. Singer (York Centre): Why does the hon. Minister not answer the questions?

Hon. Mr. Maloney: I am answering the questions.

Mr. Singer: The hon. Minister should answer them and run his department the way he should.

Hon. Mr. Maloney: My department is being very well run, much better than the hon. member's municipality when he was running it.

Mr. Singer: My voters liked it.

Hon. Mr. Maloney: Yes, looking after Jarvis Street.

Mr. Singer: My voters liked it, and that is more than we will be able to say for the hon. Minister after the next election.

Hon. Mr. Maloney: I have heard that song before. It will take more than a Singer to sing me out of office.

Mr. Wintermeyer: Mr. Chairman, the question that I direct to the hon. Minister is simply this. First, it is my understanding that Manitoba is taking a real and great interest in freight rates in spite of the fact that basically we consider this to be a federal authority. My understanding likewise is that the development of the northwestern area of the province, and particularly the iron ore in that area, is dependent in large measure upon freight rate assistance.

What I am concerned about is simply this. Is it the intent of the government of the province of Ontario to do whatever can be

done to assist the industry with transportation facilities? If it be their intention not to provide any assistance by way of freight rates, are they going to undertake to provide access roads irrespective of the federal contribution?

Hon. Mr. Maloney: We are doing that all the time. Ontario always leads the way.

Mr. Wintermeyer: Well, the record speaks for itself.

Hon. Mr. Maloney: Let the hon. leader of the Opposition look it up and he will see what we have done. I told him how many miles of access roads we have built in this province. Good gracious, surely he does not want me to repeat it.

Regarding the establishment of freight rates, our government has no control over those. We have made representations, and will continue to make representations, that realistic freight rates be established. But when the hon. leader of the Opposition says that we have control of freight rates, he knows we have no control over those at all.

Mr. Wintermeyer: The government must have legal control qualities.

Hon. L. M. Frost (Prime Minister): Did the hon. leader of the Opposition read the brief?

Mr. Wintermeyer: Yes.

Hon. Mr. Frost: Is it not a pretty good brief?

Mr. Wintermeyer: Well, I would ask a question of the hon. Prime Minister. The brief relates to the development of Moosonee as well. Does the hon. Prime Minister really think it is realistic, in the course of the next 10 years, to talk about development of a port at Moosonee?

Hon. Mr. Frost: Yes, I do.

Mr. Wintermeyer: Then we are in conflict, and this is where I think I can come to grips.

Hon. Mr. Frost: Does the hon. leader of the Opposition think that a port at Moosonee will not click?

Mr. Wintermeyer: Yes, it may 50 years from now.

Hon. Mr. Frost: The hon. leader of the Opposition is way off base.

Mr. Wintermeyer: But we have undeveloped iron ore in northwestern Ontario where there are large numbers of people at the present time. This is the leadership that I

am asking, that the government determine where the concentration of development will take place, not 25 years from now, but tomorrow and the year after or maybe in 5 years. The hon. Prime Minister will not have a port in Moosonee for 10 or 15 years.

Hon. Mr. Frost: I would say that, in the great James Bay and Hudson Bay basin, iron ore is only one of the assets. The hon. leader of the Opposition takes a very dim view of Moosonee, he does not see the possibilities of our north country. If I had a map of Ontario or Canada I would send it over to him and ask him to look at it.

Mr. Singer: Why does the hon. Prime Minister not let the hon. Minister of Mines handle it?

Hon. Mr. Frost: The hon. leader of the Opposition has addressed this question to me. I would say that a port at Moosonee would not be a port which would attract ocean shipping, but rather a port which will provide for the inland shipping which can take place on the great Hudson Bay. I point out to the hon. leader of the Opposition that we are talking about roads to resources and roads to the north. Providence has created a road which is available for a very, very large portion of the year in the James Bay and Hudson Bay area—a road actually into the north country giving us all the possibilities of developing resources including fishing, mining and other things.

Why not avail ourselves of it, since we have already constructed a railway to that point? I think it is apparent that the creation of a port at Moosonee is not a matter that is very formidable. At this time the federal government is erecting a very large air base there, as we know. Things are booming in Moosonee and, as a matter of fact I think it is inevitable that we have a port which will make available to our people a waterway which runs to the far north.

The difficulties with James Bay are very largely associated with the difficulties of the Baffin Strait—with the ice that comes down from Greenland.

Just as my hon. friend from Kenora mentioned, very much of Ontario is really not northern at all. Actually it is southern. I point out to the hon. leader of the Opposition that the difficulty with James Bay and Hudson Bay is the fact that one has to go into almost Arctic water to get out of it.

But once we are there it has great possibilities. When I point out to my hon. friend

the map of Ontario—here we are here—we actually have a road which providence has constructed almost up to the north pole. At certain times of the year, inland shipping can take place, and all of the great possibilities of the bay and its watershed can be routed down to a port at the foot of the bay, Moosonee, which is adjacent to northern Ontario.

I would like to use a different expression than “northern” myself. With the gas lines running through at Kapuskasing, the possibilities of the development of that area are simply unlimited. Actually they have been overlooked in development due to the fact that there have been so many things to develop.

Here we have the northern waters in Ontario that are useable for navigation and transportation purposes in a very large way, at Moosonee, which is south of most of the great cities of western Canada. At the south end of it, we have Georgian Bay, which has actually become tidewater from the standpoint of utility. Actually we can have ocean shipping coming to tidewater at that point. These things open up very great possibilities for our country.

I would hope, sir, that this would become an actuality not in 50 years, as my hon. friend has put it, but I would say in 5 years. We ought to hit for this at once. It is one of the great possibilities of our country and we should act on it.

With reference to our report to the railway commission, I think this is a very worthwhile report. It is objective and factual and sticks to the heart of matters.

At the present time the commission is looking at the whole problem of freight rates, and we had raised the very point that the hon. leader of the Opposition has raised: That our country here—our province and parts of our province—should not be discriminated against by means of archaic freight rates which have been devised and built up like a patchwork quilt over the last century. As a matter of fact, some of the rates being charged are completely unrealistic.

We feel that the northern portion of our province very definitely should not be discriminated against in regard to the portions of Canada that lie further west. I cannot see where there should be a preferred rate, for instance, for Manitoba and Saskatchewan and a different one for northern Ontario, and particularly for the western portion of northern Ontario.

All of those things are there, and I would say to you, Mr. Chairman, that if the brief is read, it will be found that ours is as

realistic and emphatic, and perhaps more emphatic, than are some of those of other provinces. I state this because, naturally enough, other provinces are clinging to the preferments which run with rates that were devised in other years and that have no relationship to today at all.

I can assure my hon. friend we are taking a very active and positive position both as regards freight rates and the development of what is actually the very northern portion of Ontario.

I see the federal government and federal authorities—the Canadian National Railways and others—are projecting railways into northern Canada. I can say that I do not think they are one bit more important than the development of the seaway which providence has placed right at our door in the forms of the James and Hudson bays. And I do not think that is a matter for the future at all, I think it is a matter for now. I think Canadians should press forward to that.

Mr. Wintermeyer: Mr. Chairman, this is most interesting and I think we should pursue it. To say that I am opposed to Moosonee, and the hon. Prime Minister is for it, is to oversimplify the issue.

The simple fact is this, Mr. Chairman. As I understand it, in the next 20 years we will have the opportunity to participate in the development of a new market for iron ore to the extent of about 100 million tons. The hon. Minister will correct me if I am wrong, but at the present time we are producing 5 million to 6 million tons. In other words we are babes in the wood in this particular field of development.

Yet we find at the present time there are fabulous opportunities for the development of iron ore in Ontario: in northwestern Ontario, in the Moosonee area, in James Bay and I think in sections of southern Ontario.

All I am saying is that some degree of priority, some degree of concentration, is necessary. I ask: Why spend millions of dollars at Moosonee when a lesser expenditure of money in northwestern Ontario, where there is a concentration of people at present, will bring mines into production faster and probably more economically—if this government will do something about subsidizing transportation costs?

Is it more effective to the development of our economy—and this may be my pertinent question—to subsidize freight or transportation or hydro than to build the port at Moosonee? Much as I want the port at Moosonee—it is a good thing, a desirable thing, I am not against

it—I ask the wisdom of spending millions in Moosonee tomorrow when lesser dollars spent in northwestern Ontario, where we have a concentration of population, will produce a greater immediate economic and social return.

That is my question. Has the hon. Prime Minister made a determination, and what is his observation?

Hon. Mr. Frost I will answer my hon. friend, first of all, on the subsidization of freight rates. We must remember that, except insofar as we have a railway which is under our own control, subsidization of freight rates surely is a federal matter if ever there was one.

The question arising is this: Would it not be better to pay attention to education and some of those things which are positively ours than spread out into subsidizing something that does not come within the ambit of provincial authority or responsibility at all?

I think that one of the things we might learn here in Ontario and in the other provinces is: Let us look after our own business first of all and see that it is done, without spreading out into somebody else's business.

I point this out to the hon. leader of the Opposition in connection with Hydro. Does my hon. friend seriously put forward the idea that, from general taxes in Ontario, we ought to subsidize something that is being run on a cost basis now? If that is the case, I would say it involves an immense amount of money, which would have to be taken from one pocket and put into another.

I was quite interested in one of the addresses here in relation to Hydro. I think it was the hon. Minister of Energy Resources (Mr. Macaulay) who mentioned the tremendous growth in the use of power by our agricultural people.

That does not indicate that price is putting it out of reach by any means. Our power rates here in Ontario, when compared with rates charged elsewhere, are very much less. Ours is a cost proposition.

I have discussed this problem with our industry. As a matter of fact, the whole problem of power is being given intensive consideration. But at the present time our rates are arrived at on a cost basis.

I am speaking now from memory, but I am quite sure our mining rates today, or our mining rates in 1952, were very much less than they were in 1942—10 years before. If we go to 1957, our mining rates were less than they were in 1952. And today, in 1960—with the cost of materials, the increase in wages and all of the other incidentals—

they are just about parallel with 1952. I would ask my hon. friend to compare that with any other commodity that he knows about.

Mr. J. Chapple (Fort William): All the gold mines are out of business now.

Hon. Mr. Frost: That is true. But I would say to the hon. member that the gold problem results, of course, from an international complex involving the price of gold. We can ruin our own publicly owned system, we can throw our money down a great deep well and get nowhere. Hydro rates are not going to cure the situation. If some of the gold mines were given hydro for nothing it would not make any difference.

Things must be taken in perspective. Here we have a commodity which is being developed and sold at cost in our province. If we are going to subsidize something and bring it below cost, then it has to be taken from one pocket and put in another. Somebody has to pay the bills.

It may be that we would have to put a tax on dry goods stores or something such as the hon. member for Fort William is interested in, or was at one time interested in. The cost would have to be added on there if it is taken off some place else. It is just as simple as that.

Mr. Chapple: May I answer this, Mr. Chairman? We find in northwestern Ontario that we are having a little trouble selling our iron ore now. If we cannot sell it now how are we going to sell it if we are going to have a lot more competition up in Moosonee? Where are we going to find the answer to this? Is the government going to spend all these millions up there just to put us out of business? We might have to wait 2 or 3 years to sell our iron ore up in our part of the country. Some 600 men are laid off in Atikokan today. What are we going to do about that? We have a port now at the head of the lake. Does the hon. Prime Minister wants a new port up there to put us out of business at the head of the lake?

Hon. Mr. Frost: I will take it this way then. The hon. members of the Liberal Opposition are opposed to the development of the port of Moosonee. I would prefer to place great faith in Ontario and develop our province, make the wheels go around and get population and industry wherever we can.

Mr. Wintermeyer: Mr. Chairman, I have just two remarks to make. One is in regard to the observation that they would have to

"take it out of one pocket and put it in another." I simply say this, that if one can invest \$1 and get \$10 back that is a good investment.

Hon. Mr. Frost: That is what we do.

Mr. Wintermeyer: No, that is exactly the principle that the hon. Prime Minister is denying. I say that if we could subsidize a part of this industry and get 10 times our investment back, it would help unemployment and the structural development of this great province for which I and my party stand.

Hon. Mr. Frost: If we can make one dollar, we are certainly all for it.

Mr. Wintermeyer: The government is all against it right now. The hon. Prime Minister said they were not going to take any part in subsidies or any efforts to assist.

Hon. Mr. Frost: I did not say that at all. I just said it was getting into a federal matter.

Mr. Wintermeyer: Secondly, and the last point I want to make, is this. Much as I disagreed with the old government in Quebec, I do say that the type of practical, business-like vision that that government had has put Ontario behind Quebec in the development of our natural resources in the northern areas.

Hon. Mr. Frost: That is not what the Liberal counterparts down in Quebec say.

Mr. Wintermeyer: They are doing all right today and they are going to do better tomorrow unless this government catches up with them.

Mr. Chairman, the simple fact is that the development of their iron-ore industry has far outstripped ours. We are not recognizing the fact today that there will be competition between Ontario and Quebec for that great American market, the market that we can look to. It is the only realistic way to observe this. We only use 5 per cent of our production. It will have to be exported. We have to find a market, and it is the American market that is available. It is anticipated that Quebec is now ready to supply about 50 per cent of that market in the course of the next 20 years, or 45 million tons of ore, and we are standing here with 5 per cent. We have got hundreds upon hundreds of millions of tons.

Hon. Mr. Frost: Here is our development within almost a stone's throw of the great American centres, and next to the waterway that we have constructed. The Quebec people have to take their ore by rail for several

hundred miles down to the southern islands and then transport it by ship twice as far as we have to. We cannot miss.

Mr. Wintermeyer: Mr. Chairman, this is the elementary point. They are producing more iron ore than we are.

Mr. Chairman, I would refer this to the Deputy Minister or any expert. My understanding is that our deposits, our available sources, are there. It is not a question whether we have a limited source of iron ore. We have unlimited sources at the present time. I should not say unlimited, but certainly sources that are adequate to fill this market that we are not capturing.

Hon. Mr. Maloney: Can the hon. leader of the Opposition tell me of any deposit in Ontario comparable to Knob Lake in Quebec, for example?

Mr. Wintermeyer: Not in itself.

Hon. Mr. Maloney: No, of course not. They have got the deposits; that is it. We cannot put iron where there is no iron.

I was very interested in the brilliant observations of the hon. member for Fort William when he said that if we started to build the port at James Bay we were going to compete with the Lakehead. The hon. member for Fort William says that we will put them out of business at the Lakehead.

Mr. Chapple: In from 25 to 50 years, of course.

Hon. Mr. Maloney: I wonder if the hon. leader of the Opposition knows that we are building roads from Foleyet to Chapleau, from Minaki to Pellatt, from Nakina to Cavell, from Port Arthur north, and all will make connection with the development of these mines. Look at the record.

Mr. L. Troy (Nipissing): Mr. Chairman, I want to ask several questions of the hon. Minister. He just mentioned a number of roads to resources he is building. Some time ago, a delegation from the chamber of commerce of Kapuskasing came down here in regard to a road from Kapuskasing to Moosonee. I understand the hon. chairman of the commission of the Ontario Northland Railway said at that time they would build a road there over his dead body. Does the hon. Minister agree with that attitude?

Hon. Mr. Maloney: I did not see his dead body and I did not hear what was said. I do not think my hon. friend did either. But we do not agree with that.

Mr. Troy: All right, but what about the road? The hon. Minister said he would build roads to resources. Has he any intention of building a road from Kapuskasing to James Bay?

Hon. Mr. Maloney: If the hon. member comes before the mining access roads committee and makes representations so that we can get the facts as to why they should be built, we will consider it. I am sure there is no one in a better position to give us the facts from that particular location of James Bay than the hon. member for Cochrane North (Mr. Brunelle). He could come before the next meeting of the mining access roads committee and point out there what we should do, and we certainly will take it under very careful advisement, I assure the hon. member.

Mr. Troy: Certainly, I will write the chamber of commerce there and point out that the hon. Minister will co-operate. I heard the hon. Minister of Energy Resources speaking the other day about the lignite deposits set out on the Ontario Northland Railway. There were surveys made of that area for years and I understand they were trying to get it into the form of briquettes, as you see in Belgium and France. I understand that the lignite is very much like some of the hon. members over there. If they are put out in the open air, they disintegrate.

I asked if there had been new discoveries made and the hon. Minister of Energy Resources said that that material could very likely be used in this smelter that is to be built in the Moosonee area.

I might also say I was at Pembroke last Saturday, I was talking to one of the very high-ranking civil servants in The Department of Lands and Forests. He knew that area. He wondered how often, if the port was there, there would have to be dredging. In fact I understand it would be continuous dredging. And I understand there is a better place even than Moosonee that could be used as their port.

Everybody in northern Ontario wants to see that development. We know now that the Ontario Northland Railway is in poor shape. I understand the general manager to say that they have lost 40 per cent of their trade, and anything that will give business to that section they want to get. Now, sir, can the hon. Minister tell me if there has been new research on these lignite deposits so that they can be used?

Hon. Mr. Maloney: I am quite sure there has been, but the hon. Minister of Energy Resources who made the statement will probably be able to answer the hon. member.

Mr. Troy: I would like the hon. Minister of Mines to answer a mining question.

Hon. Mr. Maloney: The hon. member referred to a statement made by the hon. Minister of Energy Resources. When he comes back we will find what he has to say.

Mr. Troy: And also, several weeks ago there was a gentleman I know well from Elliot Lake and I believe he also met the hon. Minister of Lands and Forests (Mr. Spooner) at the time. He was looking for an interview with Mr. Joubin of uranium fame, and he said that they had uncovered rich deposits of base metals in the vicinity of Elliot Lake—I think northeast of that area. Does the hon. Minister know of any big development there that would be of much value?

Hon. Mr. Maloney: As I said in the statement, we made constant surveys in the Blind River area. They are being extended, and when the time comes to make an announcement, we will let the hon. member know. We do not want the hon. member to get in ahead of anybody.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I want to confess firstly that my knowledge of mining is very limited, and I do not want to get into any hassle with the hon. Minister of Mines whom I respect highly. But I have a question which I feel is applicable to his department.

I think one of the things that people across Canada always are very interested in is the fact that in the great majority of industries, including the mining industry, many of our raw materials are exported from Canada, are refined or manufactured in the United States. Then they come back here. Many people say—newspaper articles and magazines and men in learned positions claim and quite rightly so—that by so doing we are losing great opportunities of employing our own people. In this particular instance, minerals could be refined in our own province or our own country, or on the other hand goods could be manufactured here, and probably exported to the United States.

In the Steep Rock area we have a huge deposit of iron ore. As I understand it, it is being mined and millions of tons of ore are being shipped each year to the United States and refined there.

Does not the hon. Minister think that it

would show wonderful leadership on his and the government's behalf if he approached private interests in this country?

I know that he cannot demand these things, but at least we could try to show some leadership, so that these things could be refined in our own country. We would not just be making a big hole in the ground, exporting this to the United States and allowing the money to be made in the United States and the people to be employed in the United States. Really we should be the people who have that opportunity.

I think that the hon. Minister of Mines of this province, together with the hon. Minister of Planning and Development (Mr. Nickle), could do a great deal if they would meet with the officials in Ottawa and with the officials of other provinces and see if there is not some way that we can have these mineral deposits of ours refined in Canada, so that they will provide employment for Canadians.

What greater opportunity could we have than this, in the Steep Rock area, where a refinery could be in operation? Why can they do it cheaper in the United States than we can do it right at the head of the lakes? I give this suggestion most respectfully to the hon. Minister, and I would like to hear any comments that he would care to make.

Hon. Mr. Maloney: Mr. Chairman, I am most interested in the suggestion made by the hon. member for Bruce. But it is apparently in contradiction of his own hon. leader (Mr. Wintermeyer) who said the only place we can send this ore is to the United States, that it cannot be refined here.

We are endeavouring all the time to impress upon private industry that ore should be refined here in Ontario and we feel that eventually the day will come when it will be refined here. But at the moment it does not seem to be practical nor possible to accomplish this fact.

But the hon. member can be assured that this government is constantly on the watch to take advantage of any situation that might arise whereby we can convince those who are in the iron-ore industry that they should refine the ore here in this country.

Mr. Whicher: Now, Mr. Chairman, those remarks are, I am sure, given truthfully and sincerely. But on the other hand we see that a committee under the hon. Minister of Agriculture (Mr. Goodfellow) went to England to try to develop markets for Ontario food, with which I most certainly agree.

And I respectfully suggest that we should not wait to approach private enterprise to

develop our mining resources of this province, that the government should take the initiative. It seems to me very peculiar that we have to export all of this raw material, and cannot refine it in our own province. I am sure the hon. Minister will agree that by so doing we are denying employment to thousands and thousands of the people of Ontario, who otherwise would be employed.

I do not wish to contradict the hon. Minister, but I hope that what he said was completely correct. Of course, he is on the outlook to find private enterprise to look after this very serious matter.

My advice to the hon. Minister is to go out and really look for it and do a selling job. He has the staff and the ability to do it, and I am sure he would have the endorsement of this House—

Hon. Mr. Maloney: I am glad of that!

Mr. Whicher: —and all of the people of this province if he would go out and do a selling job to these people, who have money and who are interested in that type of business.

Hon. Mr. Maloney: I can assure my hon. friend that that has been attempted. We have been trying, we are pressing it all the time. There are negotiations with Anaconda, with the Steep Rock people, with Kalander and all of these people that it would be highly desirable that this should be done. But the same situation that confronted the administration of the late Prime Minister Hepburn confronts us concerning these things. They were not able to do it, I do not know whether we can; maybe we will be able to.

Mr. H. C. Nixon (Brant): That was a long time ago.

Hon. Mr. Frost: May I reply to my hon. friend and also answer what the hon. member for Bruce has said?

He has advanced the proposition, with which I most heartily agree, that we should process our natural resources here in Canada. That, of course, is a very big problem and it is in contrast with the rather defeatist views expressed by his hon. leader who said that the only place steel and iron ore could be processed was in the United States. I would say I find myself in complete disagreement.

I spoke with one man who said one of the difficulties of processing, say, the Steep Rock ore, and ore at the Lakehead, was the economics of the matter, the transshipment of corresponding amounts of fuel to provide for the processing at the Lakehead.

I pointed out to him that with the forward policies of this government, and with our insistence upon an all-Canadian pipeline in the bringing of western oil into northern Ontario, the picture is not only changing but it has changed.

Not long ago I was up at the Lakehead and I looked out of my window and there I saw the flares of an oil refinery at the Lakehead. I think myself it is clearly becoming more possible every day that there will be the processing of iron ore at the Lakehead cities. Again that is a great addition to secondary industry in the province.

I point out also that, with the coming of gas and oil to northern Ontario, a great fuelless area with very great possibilities both from the standpoint of forests and mines now has the finest fuel known to man in the form of gas and oil, to say nothing of uranium.

That entirely transforms the picture and I prophesy the Lakehead population will be as great or even greater than we have in concentrations here in southern Ontario. I prophesy that for what we call "the gold belt area," the great area lying north of Lake Temiskaming from the tri-cities, New Liskeard, Haileybury and Cobalt north to the Fraserdale area where we fall off into the James Bay country, the swamp country.

I would say that today's young people in this province are going to see a population there which will surpass in very many ways the population here in southern Ontario. I think that is a great possibility. I also say this about the area of my friend who outside of this House we call "Causeway" Bill but who is the hon. member for the great district of Rainy River (Mr. Noden). In that whole area we are going to see a mighty population because of the fact that it is now economically possible to support secondary industry, it is now possible to process our products with increased population. All of those things are going to become more and more possible.

Mr. Whicher: Mr. Chairman, I just want to close this way. I most certainly agree with the hon. Prime Minister, but I say to him most respectfully that he will never do that by talking in this Legislature. What he has to do is to get out and sell it—

An hon. member: That is what we are doing.

Mr. Whicher: I am sure, Mr. Chairman, that the hon. Prime Minister and his government can sell it, but let them just go and

do it, and then the people of Ontario will be forever in their debt.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I have listened with some interest to the very flowery report of the hon. Minister as to the splendid condition of the gold mining industry in Ontario—or what is left of it. He gave much credit to those great hairy-chested, pioneering prospectors, but I was surprised to hear him end up without making one mention of the people who have to go into the mines and dig the ore.

I thought that we would have had some report on the increased emphasis on working and safety conditions in the past year. And I thought we would have had the report on the investigation of fatalities and near fatalities in the past year—

Hon. Mr. Maloney: What did the hon. member say?

Mr. Gisborn: I mentioned fatalities and near fatalities and injuries in the industry during the past year. I do not know if the hon. Minister intends to give the report on investigations of the most serious ones. But I feel that, after a month's investigation we should have had a report from The Department of Mines, because all we have so far are newspaper reports of what happened at the particular time it happened, and certainly in the report there are 3 or 4 pertinent things that should be looked into immediately if we are going to do all we can do to avoid a similar type of accident.

Hon. Mr. Maloney: Is the hon. member referring to the Rose case?

Mr. Gisborn: I am referring to the Rose case and the one that happened a couple of days afterwards, where a foreman was killed in the Porcupine mine in a similar accident.

Hon. Mr. Maloney: Well, does the hon. member want me to give it to him now?

Mr. Gisborn: The hon. Minister can give his answers after I have completed my remarks. I want to make 3 or 4 points, and he could perhaps answer them all at the one time.

Hon. Mr. Maloney: I would like to answer them one at a time, if the hon. member does not mind.

Mr. Gisborn: Well, go ahead.

Hon. Mr. Maloney: Mr. Chairman, I deliberately refrained from mentioning the

unfortunate case of that heroic young man, Alan Rose, who still clings to life, for the reason that it is still uncertain as to whether he will live or die. If he dies, of course, an inquest will be held as is being held into the case of the other man to whom reference was made by my hon. friend, and we cannot discuss that matter until the inquest has been held.

But with reference to Alan Rose, a very thorough investigation has been held. He is a British subject, aged 26, married with one child, who was employed as a stope helper at the Hollinger Consolidated Gold Mine since September 23, this year. He was seriously injured when some timbers supporting sand backfill collapsed in 12 south heading west of 10 crosscut of the 1700-foot level.

The accident happened at approximately 1.45 p.m. on November 19. He was trapped in the collapsed timber and was not released until 10.30 a.m. on November 22, 1960, some 69 hours later. The full extent of his injuries still were not known at the time of this report on November 19. His right ankle was broken and crushed, he was suffering from exposure and severe shock when released. He was treated in St. Mary's hospital in Timmins and then flown by the workmen's compensation board to Toronto on November 24.

J. M. MacPhail, stope miner, and Alan Rose, a stope helper, were engaged in the final filling of the 12 south heading west of 10 crosscut No. 3, cut and fill stope the 1850-foot level. This was written at 12 SH W10 No. 3 stope at the time of the accident.

MacPhail was 15 feet away from the collapsed area at the time. Since he was not cut off by the collapse, he immediately notified others. Rescue operations for Rose were started as quickly as possible.

The collapse of timbers occurred at a Y-shaped intersection of two drifts. Rose was trapped in one section where access at the time was only through some 25 feet of sand and timber or through some 9 feet of solid rock. It was finally decided to cut an opening through the solid rock without blasting to avoid the danger of inviting a further collapse. At that time they did not know Rose's position except that he answered signals on the rock wall.

An opening through the rock wall was made on Monday, November 21, at 6 a.m. A slow and hazardous job still remained to make a safe passage to the collapsed timber in which Rose was caught. He was miraculously alive with a leg trapped between two steel beams, one of which had to be cut to free him.

As soon as he was contacted, a doctor was in attendance—Dr. Bisonette. As soon as he was freed he was rushed to the Timmins hospital, on Tuesday, November 22, at 11.15 a.m. The following day he was taken to Toronto for additional medical facilities.

The operation in progress at the time of the accident was the mining out of the ore in the drift floor at the intersection of two drifts. The removal of the ore had been completed and the mined-out section was being filled with sand brought in and unloaded by trains and train crew.

A slope above this operation had been mined out and sand-filled by 1948.

The timber under the slope consisted of 12-inch by 18-inch fir timber dowels placed at 6-foot centres wall to wall and supported on 12-inch round posts. This had been reinforced by intermediate timbers called strapping. The cross-timbers are covered with 6-inch round lagging.

During the removal of the drift floor the drift timber was carried on 10-inch by 10-inch steel beams or crown bars 24 feet long, placed longitudinally some 5 feet apart along the drift and carried up at the ends by 12-inch by 18-inch and 12-inch by 12-inch fir bridge timbers.

There was no evident extra stress on these timbers showing within a few minutes prior to collapse. MacPhail, the driller, stated that he had noticed none. The shift boss in charge, A. Monahan, had visited the working place 6 times on this date prior to the accident and had noticed no undue stress.

Messrs. Bawden and Lockhart for The Department of Mines spent considerable time with the Hollinger mine staff at the scene of the accident. MacPhail also joined them.

The exact cause of collapse could not be determined but it is thought that a timber at the drift intersection shifted due to pressure, allowing a rush of sand from the fill slope above. This impact of the rushing sand broke other timbers allowing the collapse of the steel crown bars under which Rose was standing. He was not caught in the sand, which was fortunate.

The mining method used at Hollinger to recover crown pillars such as this is in accordance with recognized mining practice. The timber specifications and material used is generally adequate.

This is borne out by the fact that similar operations are presently being conducted in 42 other working places throughout the mine and have been used to safely recover over 300 pillars in the past.

This does not rule out the possibility of an error in judgment or workmanship, or the fact that there may be unrecognized pressures which act suddenly, as in this case. There was no evidence of wall movement.

The highest praise is due to all the miners and supervisors who worked willingly, voluntarily and with great skill and courage to effect the rescue. The final rescue of Rose and not their own safety was often their prime consideration. The whole mine organization remained on a standby alert throughout the ordeal and about 150 men on surface and underground were directly or indirectly involved.

Dr. R. N. Bisonette was in attendance underground from the time Rose was first located until he was finally released.

This is the report of the chief engineer of mines.

As we know, the doctors predicted that this young man would not survive last weekend. The last word I had before I came into the House this afternoon was that he was still alive and in fairly good condition today, and they were for the ninth time making an application of the artificial kidney. It would appear that if they can stop the inward bleeding that this boy still has a chance to live, but if they cannot the probabilities are that he will die.

The investigation has been very thorough, very complete, and I have given the House what our chief engineer reports.

Mr. Gisborn: I thank the hon. Minister for the report, and I am pleased to hear the hon. Minister say that the miner Alan Rose is improving. But I think it does point out that there has to be a great amount of vigilance to assure the safety of miners, because we found this month there were 3 accidents apparently of this nature.

One mentioned Mr. Samuel Sheldrake of Porcupine, a foreman who was buried. That accident was attributed to the breaking of timber. The original story contained a report that there had been a similar collapse of timber when men were off shift and the union pointed out that they had had no report as to the cause.

Hon. Mr. Maloney: I do not think it is quite right that the hon. member should mention these things. There is to be an inquest held into these matters. Until that inquest is held I do not think it proper that it be discussed.

Mr. Gisborn: I am not talking about the inquests.

Hon. Mr. Maloney: We should not be dealing with newspaper reports. Evidence will be given under oath as to what the situation is.

Mr. Gisborn: It has always been my understanding, sir, that when we have an accident in industry, we investigate immediately to try to avoid a similar occurrence the next day.

Hon. Mr. Maloney: There is no doubt of that, and we do. I do not think the hon. member should comment on any accident which has resulted in a fatality.

Mr. Bruden: He was not commenting, he was telling the hon. Minister it took place.

Hon. Mr. Maloney: It resulted in a fatality—until such time as the inquest has been held and the coroner's jury has brought in a finding—

Mr. Gisborn: Well, Mr. Chairman, I will let that rest for the time. But I would like to bring it to the attention of the hon. Minister again and make this further appeal for greater recognition of the requests of the union for greater safety measures for the men who work in the mines.

Once again in this House during this session we have heard appeals from hon. Ministers regarding productivity in the province. We must have the co-operation of management, government and labour to really do a job to produce the things we need and to produce them efficiently.

I think we have to have the confidence of the workers, whether they are organized or not, in their attitude to safety. In the mining industry, the lack of success we had with the department in bringing about participation and co-operation in safety will not give them the confidence they should have. If they are to co-operate, there should be confidence on both sides.

That is why I wonder if the hon. Minister is giving any consideration to bringing in something closer to what was recommended by the Roach report of 1950. It recommended the setting up of joint committees made up of management and labour—the people that work in the plant—so that they can work together to bring about safety measures.

I appealed on behalf of the union last year and I find that they are no closer to getting this type of committee set up. There are representations from both sides.

The recommendations by hon. Mr. Justice Roach set out very clearly the setup of such a committee.

I say it is about time that we should give recognition to this, and not just listen to the whims and wishes of management that they are going to be in complete charge, they are going to be responsible, because it is not management who suffer the injuries and the deaths.

Hon. Mr. Maloney: Of course, Mr. Chairman, the hon. member knows that at the Hollinger Consolidated they have such a joint safety committee. He should not mislead this House by saying these things, when he knows or should know that there is such a safety committee.

Mr. Gisborn: The hon. Minister means a plant committee. There is no committee in the industry.

In the final analysis the recommendation of the workers is left to the complete approval of management. You can give them all of the recommendations you like, you can make all the complaints you like, but when they get to the desk of industrial relations, they decide whether a job is hazardous and whether changes should be made.

Hon. Mr. Maloney: The hon. member is wholly misinformed.

Mr. Bryden: The hon. Minister is wholly misinformed.

Hon. Mr. Maloney: Woodbine flashing again.

Mr. Gisborn: While I am on my feet, Mr. Chairman, I would ask the hon. Minister if he has given any further consideration to the amendment that I proposed to The Mining Act, Bill No. 66, which would give the unions the right to have something to say about who should be promoted or demoted in regard to seniority.

When we dealt with it last year, the hon. Minister said this was a case of employee qualifications, and that we had no right to interfere and tell management whom they were going to hire or not going to hire.

Now this amendment that I suggested last year will be repeated because we have tried for two years to get something done, without success. I would point out that the amendment would not have anything to do with whom management hired, but it would give the union some say on promotion or demotion.

Hon. Mr. Maloney: We have studied the matter very thoroughly and we will not approve of such a measure. It is for management to say who will be promoted and who will not be promoted.

Mr. Gisborn: Now we finally know. We have it first-hand that The Department of Mines, according to the statement of the hon. Minister, is again going to bow completely to the whims and wishes of management.

Hon. Mr. Maloney: Well, the hon. member can put any interpretation on it he wishes.

Mr. Bryden: That is a fair interpretation.

Hon. Mr. Maloney: The hon. member can put whatever interpretation he wants to on it. We have had this matter studied by people who are much more conversant with matters of this kind than the hon. member and we find we do not approve of it.

Mr. Troy: Mr. Chairman, I want to ask the hon. Minister a question. Last year when the Bancroft-Elliot Lake crisis was debated in this House, the hon. Minister said, to reassure the hon. member for York South (Mr. MacDonald) so that he might have a good sleep that night, that he need have no worries about the future of Elliot Lake or of Bancroft.

The hon. Minister went on to say that the government, as a result of the concerted efforts that were made by the government and by the members of this great party, had assured that both of these communities would continue to function normally. Can he make that same assurance to this House tonight?

Hon. Mr. Maloney: Well, if the hon. member is an intelligent person, and I know he is, from my association with him, he knows that that is correct.

Mr. Bryden: They are operating normally?

Hon. Mr. Maloney: Under the circumstances. Of course, the hon. member who left Saskatchewan is such an abnormal person that he would not understand even if he was told.

Interjections by hon. members.

Hon. Mr. Maloney: Mr. Chairman, the hon. member for Nipissing has the floor.

Interjections by hon. members.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, while we are on this problem of Elliot Lake, I would like to say a few words since it is a matter to concern not only the hon. Minister but every hon. member in this assembly. The problem up there is a very great one. I am told that researchers have discovered that uranium might be a valuable additive to steel.

Now I do not think that the hon. Minister or the government should take too much for granted. The addition of uranium to steel improves its anti-corrosive properties, its tensile strength, and that might be very valuable in the construction industry.

Although I am not an engineer, but only a layman, I rather suspect, Mr. Chairman, that one would encounter some opposition from the automotive industry, which is a very large user of steel, for the simple reason that they do not want to add anything to the steel to lengthen its life. They do not want—

Hon. Mr. Maloney: I think, Mr. Chairman, the automobile industry is very much in favour of it.

Mr. Thomas: Just a moment, Mr. Chairman, if they can produce a car that is going to last for 5 or 10 years—

Hon. Mr. Maloney: Surely, as the husband of the mayor of Oshawa, he would not say that.

Votes 1301 to 1305, inclusive, agreed to.

On vote 1306:

Mr. W. G. Noden (Rainy River): I feel that there have been certain statements made here in connection with the Steep Rock area that I feel are exaggerated. They should be corrected, because after all, coming from that area, I should be able to make some corrections.

I might say that the national employment insurance association listed 220 people who were unemployed, not 600 as stated in this House. And the production for that area for this year is equal to the production of 1959, the largest year they had in the production of iron ore.

Referring to the statement of 100 million tons of production of ore, I believe that would apply to the Messabi range at the highest peak of a certain year. Last year that was dropped to 55 million tons because of the depletion of the high grade ore, and naturally, with the decrease in the steel production this year in the United States—by about 50 per cent—the demand for iron ore has not been as great.

And yet in our Steep Rock area we have been able to maintain our production as it was at the high peak last year. Not only that, but they are looking towards the future in providing areas like Lake St. Joseph, which is to give them an area of greater production to take care of that demand that is going to take place in the years to come, I hope.

Development is taking place at Mattena, and other areas like Emo, where the investi-

gation is now going on. I would say that the Steep Rock iron ore programme today is in a very healthy position. I am sure that it will maintain that position in the years to come, with the known supply of iron ore that exists in that area.

Mr. Chapple: Mr. Chairman, the hon. member says that there are only 200 or so not working at Atikokan. There were 600 laid off this fall at the head of the lakes, and I am afraid we are going to have a very hard cold winter, because there are going to be an awful lot of people out of work. There is no doubt about that.

I do not think that the government can help too much because the market for iron ore, as he knows and everybody else knows, is at a very low rate right at the present time and the indications in the future are not too bright. We all know that. There is no use fooling ourselves about that. Strong comments were even heard from the floor about the proposed rate increase which would affect mining and paper mill operations.

Neil Edmonstone, vice-president of Steep Rock Iron Mines Limited, said from the floor that the new Hydro rates would mean an additional expenditure of \$7,300 monthly to the company, and that northwestern Ontario could not cope with such a rise. Another Atikokan delegate said the announced increase would total \$200,000 more annually from the various firms extracting iron ore in Atikokan. Annual payment to Hydro by these firms would amount to \$1 million.

Mr. Edmonstone said he could not agree with the Hydro explanation that the increases were necessary because of large power surpluses.

I cannot see how that would apply to northwestern Ontario when we, Ontario, are not buying a big block of power from Manitoba; and we know we are going to need more than the area is currently providing for the big developments which are coming. Unless we get reasonable power in northwestern Ontario for iron ore operations, we are just not going to have the iron operations.

There is no use kidding ourselves that this thing is all going to come immediately. We are going to have a really hard time before we come to the point where these industries are developed to their peak. Unless we do an awful lot more than we are doing right now, no peak will ever be realized.

Hon. Mr. Frost: I would like to give the hon. member a little history. The Liberal government made an arrangement with the Steep Rock mines to sell them power at \$30

per horsepower. Due to what we have done here, the streamlining of things up there, the purchase of certain ends of the M. & O. property, their transmission lines and so on, the Steep Rock lease—I have not the figures in front of me here—but I would say that their rates are very, very much less than—

Mr. Chapple: No, they are not.

Hon. Mr. Frost: What are they?

Mr. Chapple: That is what the hon. Prime Minister is quoting from—\$11,300 monthly.

Hon. Mr. Frost: I am not talking about that. I am talking about the horsepower rate, under the government the hon. member would have supported—I do not know whether he did in those days or not—I doubt if that rate, today is \$20 per horsepower.

We have made tremendous changes, and given tremendous help to the Steep Rock industry. I can give him the statutes passed in this House relative to that; and I would say that we have done enormous things to reduce their power bill.

It is true that there are adjustments, as there would be in any utility, but these are just a mere drop in the bucket as compared with the vast sums of money we have saved for that company alone.

On the strength of that, I think the hon. member ought to come over here and discuss with me, after the adjournment, the matter of moving his seat across the House; because this is a government that really does things for the people.

Mr. Chapple: If this vast majority of the government really does something, why are there no results? That is the big problem with which we are faced. I know all about hydro rates; I paid, last year on my farm, \$1,202 for hydro. That is a lot of money.

Hon. Mr. Frost: That is all right.

Mr. Chapple: Sure, that is fine; the farmer paying a lot more than the city dweller. He is paying a lot more for all his equipment.

Hon. Mr. Frost: I have a place out in the country myself and my hydro bill, I suppose, is probably 10 times—

Mr. Chapple: Does the hon. Prime Minister get a discount?

Hon. Mr. Frost: Yes. It is not as great as it was 5 years ago, but I say that I use 40 times as much power. I use power for everything. It is the cheapest hired man I have.

Interjections by hon. members.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I have been listening to the discussion on The Department of Mines with mixed feelings, but I would say this: As a Canadian, I certainly take a great deal of pride in the resources that we have in this country. And, as a Canadian, I would say I feel that perhaps we are being cheated a little bit.

As we see some of the sons of Canada who have gone over to the United States and have made a great deal of money from our natural resources, I wonder if the government of this province has ever thought of asking some of these sons of Canada to return. I think of one in particular at the moment—Cyrus Eaton. Has the government ever thought of asking him to return and put some of the money he made back into the head of the lakes to start a new industry for us, so that we can develop our natural resources here?

I ask that question of the hon. Minister of Mines who, like me, takes pride in Canada and sees a vision for Canada.

Hon. Mr. Maloney: I expect to see Senator Croll shortly and, after talking with him, I will be able to answer that.

Votes 1306 and 1307 agreed to.

Hon. Mr. Frost moves that the committee of supply rise and report that it has come to certain resolutions, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions, and asks for leave to sit again.

Report agreed to.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 2, An Act to amend The Absentees Act.

Bill No. 3, An Act to amend The Credit Unions Act, 1953.

Bill No. 4, An Act to amend The Devolution of Estates Act.

Bill No. 5, An Act to amend The Fire Marshals Act.

Bill No. 6, An Act to amend The Hotel Fire Safety Act.

Bill No. 7, An Act to amend The Lightning Rods Act.

Bill No. 8, An Act to amend The Law Society Act.

Bill No. 11, An Act to amend The Trustee Act.

Bill No. Pr6, An Act respecting Montreal Trust Company.

Bill No. Pr11, An Act respecting Eno-Scott and Browne (Brazil) Limited.

Bill No. Pr23, An Act respecting Pickering College.

THE DEPARTMENT OF COMMERCE AND DEVELOPMENT ACT, 1960-1961

Hon. L. M. Frost moves second reading of Bill No. 21, "The Department of Commerce and Development Act, 1960-1961."

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF ECONOMICS ACT, 1956

Hon. Mr. Frost moves second reading of Bill No. 22, "An Act to amend The Department of Economics Act, 1956."

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF THE PROVINCIAL SECRETARY AND CITIZENSHIP ACT, 1960-1961

Hon. Mr. Frost moves second reading of Bill No. 23, "The Department of the Provincial Secretary and Citizenship Act, 1960-1961."

Motion agreed to; second reading of the bill.

THE EXECUTIVE COUNCIL ACT

Hon. Mr. Frost moves second reading of Bill No. 24, "An Act to amend The Executive Council Act."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair, and the House resolve itself into the committee of the whole.

Motion agreed to.

House in committee; Mr. W. E. Johnston in the chair.

ROYAL OTTAWA SANATORIUM

House in committee on Bill No. Pr24, An Act respecting the Royal Ottawa Sanatorium.

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr24 reported.

SYNOD OF TORONTO AND KINGSTON GLEN MHOR CAMP

House in committee on Bill No. Pr32, An Act respecting the synod of Toronto and Kingston Glen Mhor Camp.

Sections 1 to 3, inclusive, agreed to.

Bill No. Pr32 reported.

THE LIQUOR CONTROL ACT

House in committee on Bill No. 9, An Act to amend The Liquor Control Act.

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, in the interval since this bill was in committee before the House, further consideration has been given to the suggested section.

It will be recalled that the hon. member for Bracondale (Mr. Gould) made some remarks and had some suggested amendments. I think, perhaps, he is prepared to withdraw that amendment, if he actually has it on the record, but, in any event, I am going to move now what I think is an amendment which will meet with general satisfaction and cover some of the points and criticisms which were raised on a previous occasion.

In addition to the amendments, as to the form of the bill, which were carried when the bill was last considered by the committee, I now move that section 7 on page 2 of the bill be struck out and the following substituted therefor:

7. Every person who contravenes subsection (2) of section 79 is guilty of an offence and

(a) is liable to a fine of not more than \$50

Now, that would be a straight fine on a first conviction, or:

(b) where he has contravened such subsection at least twice during the 12 months preceding the date of the commission of the offence thereunder with which he is charged—

and I interpose there that that really means on the third offence within the year period. I continue reading the actual amendment:

—he may by order be detained for a term of 30 days in an institution for the reclamation of alcoholics that is designated for the purpose by the Lieutenant-Governor in council.

That is (b). And that is, it will be noted, within the discretion of the magistrate in connection with third offences or more, or—and I would point out that this one could apply at any time—

(c) where he consents thereto he may by order be detained for a term of 90 days in an institution mentioned in clause (b), but the superintendent of the institution may release him at any time during such term if the superintendent is of the opinion that further detention will not benefit him.

That is the amendment, Mr. Chairman, that I move. Really it is a new subsection 7. I will just recapitulate. It provides in the case of charges of drunkenness:

First, a fine up to not more than \$50.

Secondly, if it is shown by the proper proofs that a person is a third offender for drunkenness within a one-year period, then the magistrate may order detention of 30 days in an institution for the reclamation of alcoholics, in the manner I mentioned.

In the third place, whether it is a first, second or any other offence, where the accused consents he may be detained for 90 days in that sort of institution with the proviso that he may be released at any earlier period if, in the opinion of the superintendent, any further detention will not benefit him.

I think, in that way, we have covered the situation at this time about as fully as we can to give effect to this new approach with respect to the problem of drunkenness and its relationship to the courts and jail. It is my fervent hope that when this does get into operation in a reasonably comprehensive manner it will reflect in improved social conditions in this field.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, this particular bill was discussed at some considerable length a few nights ago and, at that time, somebody made the suggestion—or at least asked the question—whether or not it is advisable to proceed to amend The Liquor Control Act, or whether it would be preferable to legislate in this important social field separately and independently of the amendments to The Liquor Control Act.

Subsequent to that time I, and I am sure others, have given some thought to this matter. The more one thinks about it the more one realizes this is a vast new area. The legislation would refer to people who are brought before a magistrate in the courts. Many people who require treatment never get before such an institution.

Therefore, it occurs to me that we should think in broader terms. We should think of the advisability of requiring people to take treatment after a request from either relatives or interested friends and protection against such infringements on personal rights as were demonstrated in the original bill.

The point I make is simply this: That good as the amendments are, and as much of an improvement as they are, I respectfully submit that this is a very big and broad subject which, in my opinion, requires further study at the present time. I wonder about the advisability of implementing any legislation. I do not think we are in any hurry about it.

It would seem to me that this is the type of bill that can be postponed until the winter session when we can survey the broader application of the bill and the legislation, when we can think in terms of treatment other than treatment of persons who are brought before a magistrate's court.

I make this submission, Mr. Chairman, in the realization that this is a step in the right direction, but a step that can be much improved on and an area of correction that can be undertaken that will bring greater social benefit than the bill itself permits.

Therefore, Mr. Chairman, I suggest that the bill be postponed.

I am not sure of the procedure that would be required, but I suppose it can simply be held until the resumption of the winter session. I would not move a delay for 6 months because that would be interpreted to be a vote against the bill in its entirety, in its principle.

Rather, I ask, Mr. Chairman, your support in the suggestion that the legislation be held back and not proceeded beyond its first stage until a further opportunity for study can be given in the winter session.

Hon. Mr. Roberts: Mr. Chairman, I appreciate the sincerity of the hon. leader of the Opposition in this matter. I am sure every hon. member who speaks on this sort of a debate is speaking from his heart and with complete sincerity.

But I do feel, from the study which we have already had of this—and it has been quite considerable over the last 12 months—

that any move that would delay present plans would in effect delay the whole approach so far as this particular facet is concerned—that is in relation to the court offender.

The hon. Minister of Health (Mr. Dymond) might have something to say about the broader principle which has been spoken to in a very general way by the same group of hon. members who have been discussing this problem. But we have not attempted in this amendment—which is translating the thinking of the group who have been studying this in the field again of enforcement—to go outside my own jurisdiction as Attorney-General in relation to the problem. I would very, very much hate to see any step taken in this House that would delay us in the approach we are making.

The hon. member for York Centre (Mr. Singer) suggested a bill entitled “The Alcohol Bill,” or something of that sort. We might reach that in due course. I do not think we want to rush in with all the larger and grander recitals at this point until we have got farther along when, as we move, we are fairly sure we are moving in the right direction and doing the right thing. In due course I would think such a suggestion as the hon. leader of the Opposition has made might be appropriate. But I think we would be rushing our fences if we attempted that at this time.

Mr. V. M. Singer (York Centre): Mr. Chairman, I frankly fail to appreciate the validity of this amendment. It is obvious that the hon. Attorney-General has at least been convinced that the amendment to The Liquor Control Act as originally presented was not completely satisfactory so he has changed his mind somewhat.

What he is suggesting is that if an individual has come before a magistrate on 3 occasions in a 12-month period the magistrate then will have the power to sentence that individual to serve a period of 30 days in one of these institutions. If he should come before him 3 times in 12 months and one day, the magistrate would have no such power.

If he should come before him on the first occasion and it should be reasonably obvious to the magistrate, and to anyone else who is interested, that the man who is before him is a hopeless alcoholic, he is sent back out to give him two more chances.

I think that without attacking at all the idea that lies behind this—and again, Mr. Chairman, I want to emphasize I commend the government for their thinking along this

line, I think this is the most worthwhile endeavour the government could embark upon—without condemning it at all I think the government is unduly anxious to get something on the statute books immediately. I suggest that what the government is trying to put on the statute books today is not going to serve any purpose whatsoever.

First of all, as I understand it—and in talking to the hon. Attorney-General in committee—there are no institutions presently available to provide this treatment. So what is the point of putting these words on the statute book when there are no institutions to which magistrates might send an offender?

Second, if the hon. members think about alcoholism at all, they must recognize, Mr. Chairman, that it is really not a question of whether or not a person is an alcoholic, but as to whether or not he comes before a magistrate once or twice or 3 or 4 or 5 times within a given period. He may be an alcoholic whether he appears there or not.

He may be an alcoholic if he appears there once or twice, or 3 times, but the frequency with which he appears has nothing to do with it. Some very fine people, Mr. Chairman, who are probably known to many hon. members of this House, somehow or other get off on a Saturday night party and might be in danger of getting arrested by a policeman. And I know that hon. members on all sides would not suggest that any of these people are necessarily alcoholics.

If such an individual happens to have run afoul of a policeman on 3 occasions in a 12-month period, the magistrate is directed, more or less by this legislation, to say: “You are an alcoholic, and off you must go for 30 days.” And that may not be the case at all.

Hon. Mr. Roberts: It is 3 months now under the present legislation.

Mr. Singer: But that may not be the case at all. I am sure what the hon. Attorney-General has in mind is the treatment of persons with this disease of alcoholism. I do not think that, if an incident involving the law enforcement authorities occurs within a certain fixed calendar period, this proves the man either needs the treatment or does not need it.

I revert again to the idea I expressed previously in the House—that we need some additional study, we need advice to these magistrates as to whether or not the person who is brought before the court is suffering from this disease.

I join with my hon. leader most sincerely in saying that this matter should be deferred—not set over for an unlimited period—because it is one of the most worthwhile efforts that the government could be involved in. I think the government has to do something about this, and I commend the hon. Attorney-General for doing it. But I think it should go back to the committee on legal bills; and I think the committee on legal bills should bring the alcoholism research foundation, the alcoholics anonymous people, and all the social workers' groups before it to express their opinions.

There is no advantage, Mr. Chairman, in putting this through in its present form, because nothing is going to be achieved. There is no place a magistrate could send any of these persons today. I think that there is very substantial merit in asking the government just to pause, over the next several weeks, then bring it again before the committee on legal bills in January or February.

Let us have a real look at it, because all hon. members on all sides of the House, I am certain, will join in making this sort of legislation effective.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, I think this is a good bill. The background is simply this: At the present time, if a person is convicted so many times in a certain period, then it is mandatory that he go to jail.

We all have had experiences with those cases. I have discussed these problems with the hon. Attorney-General; his officers have done the best they could; and some custodial institution perhaps lets the fellow out. Or, if his record was such and the indication of his illness were such, perhaps he would stay there.

We have to start somewhere in this problem. This is an area of uncertainty. If, in this area, we now take these people and put them in jail, there is a provision that we can do something else with them. I think it is very desirable.

Of course there is not yet such an institution but those are the things that have to be worked out.

I would say that, amongst experts, there is a great difference of opinion in connection with these matters. The experience we get here will help solve the problem later on. It may be 6 months from now or it may be two years from now.

The hon. Minister of Health is very much concerned with this problem.

When we get down to the description of

an addict, or one who is likely to be an addict or an habitual alcoholic, those things are difficult to assess. They are difficult problems to deal with, and I think this bill is a step in the right direction.

It may not be as lengthy a step as some would like to see, but it is a step calculated to give experience in the treatment of this problem.

I would like to take the hon. members back, for instance, to the alcoholism research foundation which was created in the days of the late Mr. Kelly; he was a great believer in something being done for alcoholics. That was one of the first concrete steps in this problem.

I remember the government purchased a property outside Toronto, a very lovely property, where a hospital was operated and run for a time. It was found to be completely the wrong approach. We were on the wrong track.

It did not result in any loss I am glad to say; it did not add to the debts which no doubt the hon. members will be talking about at great length after Christmas. We got out of it with a whole hide.

Nevertheless it was found that the way to treat these cases was right downtown—not dissociating them, or disconnecting them from ordinary life.

That may be the experience in this case.

The Salvation Army people have had tremendous experience in this.

It may be that we are wrong, nobody knows. It may be that we take some poor fellow who has come up 3 or 4 times in court and requires treatment; then we send him to jail for a set period of time. It is the same method of dealing with them as 30 years ago.

Experience may show that a man perhaps should be sent to an institution such as is contemplated here. It may be found the man, in the treatment of his disease, should be kept there for a period of time; perhaps he should be sent back to his work and his home after he receives some treatment in some sort of a probationary area.

The only way to find these things out is by trial and error; by experience. And I do not know anyone better, to use as a guinea pig in a very humanitarian sense, than the man who presently is sent to jail for 6 months because he has been drunk 3 times in a certain interval. He is the fellow we are experimenting with, and I think he will be very glad we are experimenting with him. I think many a woman and family will be delighted too.

I have had cases, like other hon. members, of people coming to me and appealing that they would like me to do, or somebody to do, something for their brother or their husband who has been sent to jail for 6 months because he has been drunk; and he is a good fellow and all the rest of it, and he is all right now, and he will leave things alone if he is let out.

I think this is a good bill. It is experimental, obviously. It may very well be that, in a short time, there will be changes in this and it will come up before the House again. That does not alter the fact that it is a good bill, and I would suggest that we go ahead with it and try this out and see how it works.

Mr. A. F. Lawrence (St. George): Mr. Chairman, I wonder if a private member on this side of the House could get a word in edgewise? I would like to assure the House through you, Mr. Chairman, and especially the hon. leader of the Opposition, that, in my own opinion, this is not a measure that has been conceived in any hasty manner or method whatsoever.

I have been honoured and pleased to have been a member of the hon. Attorney-General's committee on alcoholism since its inception. That committee has been sitting quite regularly. It is a voluntary committee at no cost to the government, I may add, and it is a very representative group. There are both experts and people like myself, who are perhaps inexperienced but who are very interested in this subject.

It is made up of representatives of, for instance, the alcoholism research foundation, representatives of the liquor licence board, the liquor control board, representatives of the Salvation Army and especially those wonderful people who are running the Harbour Light of the Salvation Army, representatives of the United church, the Roman Catholic church, the Anglican church. I think there is even a Presbyterian sitting on it as well. There is also a representative of The Department of Health.

This is a group that extends into just about every official and unofficial and religious organization that is interested in this great social problem of today. They have held many meetings; they have sent people to the western Canadian provinces.

They have had evidence there from what the courts, for instance, in San Francisco and New York are doing. They have evidence placed before them of what was happening in Europe and, especially, the great experi-

ments that are taking place in the treatment of this matter in countries like Holland.

We have had very free discussions on just about all aspects of the problem, and one of the great problems that presently exists at the moment is that there is no legislation, as far as I am aware in any event, to compel certain people to take this treatment.

The other night we had an impassioned plea—a sincere plea, I think—from the hon. member for York Centre about the magistrate's court here in Toronto. He spoke particularly about the dreadful conditions in that court on Monday morning.

Mr. Chairman, it is not only Monday morning. Believe me, it is every morning, down there. It could be tomorrow morning, very much so.

Mr. Chairman, I do not know why the hon. Attorney-General put me on the committee. I hope it is not because of any personal problem of my own, but, perhaps, because of various organizations that do exist in my riding and which are battling this problem at the moment.

Before one of these meetings, I had to call the hon. Attorney-General's office to find out if the meeting was going on as scheduled that afternoon. I was told politely by one of the clerks in his office: "Yes, the committee of alcoholics is meeting this afternoon."

I did not have the heart to pass that on to the committee. I do not know whether they were all getting that name or not.

Seriously, Mr. Chairman, this is a grave problem. At the moment, I hope the hon. members are aware that there is an institution run by the government to which magistrates can recommend—only recommend—that a person be sent. That is the Alex Brown clinic out at Mimico. This is one of the pioneer organizations that has been established here in Ontario to carry on the work.

The thing that is wrong with this legislation at the moment, Mr. Chairman, in my opinion, is that it is 10 years too late. Instead of protesting that it should be held off for a little while longer, we should rush it through. It is not a hasty nor an ill-conceived bit of legislation. It is something that has been thought through and I know—I hope I know—that it is the government's intention to get into this field in a much bigger way than at the moment.

I grant that this is a massive field in which we do not know the answers. We have not even scratched the surface of the answers at the moment. This is a problem which exists

all over the North American continent, all through the western world. I do not think any other jurisdiction at the moment is finding the answer that we hope to find here in Ontario. But this, at least, is a first step, and I find the views expressed from the other side are extremely contradictory.

We had the hon. member for York Centre the other night say: "This is a great bit of legislation, but we should go further. We should have more social workers in the field doing this." He also mentioned that the magistrates should be trained.

The hon. member for Dovercourt (Mr. Thompson) was afraid that we needed more in the way of pre-sentence research work done.

With these laudatory aims, no one can argue. But surely there has to be a start, and this is a start and it is a well thought-out start.

It is not only an amendment to The Liquor Control Act in regard to the penalties, Mr. Chairman, it also gives the Lieutenant-Governor power to acquire and designate reclamation institutions. And that is important because another problem we bumped into was that of the Alex Brown clinic and the work done by the alcoholism research foundation. It is wonderful work but they simply do not have the space, area or premises to do this work or the next step in this work which they have now reached. They need bigger premises.

If I may be immodest, I suggested in one of those committee meetings that negotiations be entered into to see if it would not be possible to take over the old Langstaff jail farm. I do not think any public pronouncement is yet available about that, or whether the government even wants to make an announcement about it. But it has been in the press, so I feel free to tell the House this at the moment.

But without the passage of this Act and the amendment introduced tonight by the hon. Attorney-General, they will not be able to go ahead and do it. The arguments being proposed by hon. members on the other side to my mind, Mr. Chairman, are entirely contradictory and can do nothing but hold back the government in what I hope is its aim to get into this field in a much more—

Mr. R. M. Whicher (Bruce): Is this a moral or a medical problem?

Mr. Lawrence: I think this is definitely a medical problem.

Mr. Wintermeyer: Well, I think there is no contradiction on that.

Mr. Lawrence: I hope, Mr. Chairman, and I have said this a couple of times to the hon. Attorney-General and to these committees, that in my mind there is no difference between the field of mental disorders—and the great endeavours we are taking in regard to them—than there should be in this field. It is exactly the same field. I hope that some day we will have the chain of alcoholic hospitals that we now have of mental hospitals.

I think the problem today in this country is large. I only hope and pray I am going to be around here to see that work being undertaken in the way it should be undertaken.

This is a pioneer effort and I feel to hold back this bit of legislation or retard it in any way, even one day, would be a fallacy by this House. Therefore I urge the hon. leader of the Opposition to take back that amendment, if he put one in, asking that the legislation be held back in any shape or form.

Hon. M. B. Dymond (Minister of Health): Mr. Chairman, I am pleased to note that we are in agreement that this is basically a health problem. Further, according to our present statutes, a large number of those who come to the attention of the public are involved in some way or another with the law enforcement people. Therefore, the project that is envisioned by this amendment to The Liquor Control Act, I believe, is very essential.

First of all there seems to be some belief that patients cannot voluntarily, or without the consent of some member of the family, some relative or some interested party, be admitted to a hospital. This, of course, is not so. They can be. A patient can apply. An alcoholic, or one who believes himself to be an alcoholic, or an addict of any kind, can apply for voluntary admission to our hospital system.

By the same token, if a member of a family, a relative or an interested party wishes to lay information, a patient can be committed to the hospital for a stated period of time.

I have said on previous occasions, in the case of the voluntary admission, the patient gets "dried out" and quickly regains his self-confidence and he believes—I believe this is well based in the patient's mind—that he can carry on and do a job of rehabilitation on himself. Unfortunately, this is not always so. They cannot do that job of rehabilitation without a little longer time than it takes to "dry" them out.

Now, we are attempting to cope with this greater problem—and this is the greater problem.

Alcoholics, or those who are heading towards alcoholism, do not realize it themselves. They are still very respectable folk and are sometimes fortunate enough not to come into conflict with the laws of the land. To try to cope with that, the medico-legal society, for instance, has been battling with the problem for a long time. Two years ago they presented to me a model bill which I thought was rather far-reaching and sent it back because, after discussing it with many people, I found such a conflict of opinion that I did not feel moved to recommend it to this House.

First of all, one of the fears which it raised was that it was a gross invasion of privacy, no matter how necessary it was. Another of the fears was that it interfered with personal and civil rights. Then, of course, it did not go far enough, in this great difficulty, in helping us to find a way whereby we could retain some hold on the patient after that drying-out process, or even after the time that those in charge of the patients felt they were at the point where they could be released under their own resources.

If we could supervise the patients after that, perhaps by some form of probation or some form of legal hold—and yet not entirely a legal hold—if the clinic or if the hospital had some control over the patient for an indefinite term, then we believe that we could go farther. How far one can go in this regard, without interfering with personal or civil rights, I do not know.

The present scheme, as I pointed out, is voluntary admission or committal under The Mental Hospitals Act. However, this still involves the legal mumbo-jumbo—and with all due respect to the lawyers, I cannot think of another word. It seems to me that sick people should not be involved with things that tie them up with legal red tape, and it is our constant effort to try to strip this matter of the legal connotations that we find there now. We cannot seem to find a satisfactory way to get around this. This is, as has been said repeatedly in the House already, an area fraught with very, very great difficulty.

One of the hon. members has said that it does not matter, or should not matter, how often a person appears before the magistrate, and I agree with him wholeheartedly. The examples he cited are sound and they are good. But we have to have a yardstick of some kind.

As the hon. member for St. George has pointed out, the hon. Attorney-General's committee, of which I too was a member, has

gone over this very, very thoroughly, and has hit upon this yardstick, if I may put it in this rather loose fashion. We may be completely wrong, as the experiences of the next few months or the next few years may show, but every jurisdiction is groping with this problem, seeking and searching for even a nearly perfect answer, and none of us has yet come up with it.

Those who have listened to our Dr. Jellinek—who has probably studied more about alcoholism in more jurisdictions than any man in Canada today—knows that he will tell hon. members exactly the same thing, that every jurisdiction he has visited is in the same position we are, groping and seeking, searching for an answer to this very great problem.

After all, much of it hinges on this one incontrovertible fact: I have not met anyone who has proposed a method of definitely diagnosing an alcoholic.

I therefore say to you, Mr. Chairman, that we would be doing a great service to the people of Ontario if we allow this bill to pass as it is, realizing full well that it is by no means the perfect answer. But, at least, as the hon. member for St. George has already stated, it is at least another step forward.

Mr. Singer: Mr. Chairman, I agree almost without reservation with the remarks of the hon. Prime Minister, with the remarks of the hon. member for St. George, and with the hon. Minister of Health. But to quote the remarks of the hon. Prime Minister, just the other day in this House—when he listened to the very sincere opinions of the hon. member for Bracondale—"perhaps he has a point but I would not express it just in that way."

I am paraphrasing the remarks of the hon. Prime Minister and I hope I am paraphrasing them reasonably correctly. He said: "I would like something like 'if the magistrate believes the accused is an alcoholic.'" This is the sort of thinking that I have been trying to get at and, I think, there is a great deal of merit in it.

Hon. Mr. Frost: That will come, but the difficulty when we get down to writing it into this legislation is that it creates too many uncertainties in an area where we are not certain at all, and I think it is far better to leave it this way. We cannot make any mistakes this way and we might the other way.

Mr. Singer: Mr. Chairman, I do not know whether we can make any mistakes this way or not. I think this: The hon. Minister of Health said this is the yardstick that was

applied after many, many hard sessions of study by the committee to which the hon. member for St. George is referring. Well, it may be the yardstick they have come up with, but they have only come up with it in the last few days because this was not the form in which it was originally presented to the House.

The hon. Minister of Health, if we take him at his word, said that the yardstick was come up with by the committee after these many hours of study, and it is apparent before us that the yardstick has only been evolved in the last few days.

Interjections by hon. members.

Mr. Singer: Mr. Chairman, it is a pity the government cannot listen to some sincere criticism from certain of us who are trying to help this situation. They are so sensitive about the exact wording they bring in that they have not the patience to sit back and listen.

Mr. Chairman, I think the government can be condemned on another score. The first really that we have heard in this House about the committee is the remarks of the hon. member for St. George. If the government had embarked upon this and made it apparent to us on all sides of the House that they were into this endeavour, they would have had the support of all hon. members of this House.

Mr. Chairman, the government has a responsibility to the hon. members of this House far and beyond what might appear in the newspapers. We are entitled to know what is going on in the province and government should not be government by newspaper releases.

In addition to that, I may be ignorant, but I must admit that I never heard of this Alex Brown institute at Mimico, and I think that the government should have been able to tell us about this.

Hon. Mr. Dymond: On a point of order, this has been mentioned in the estimates of The Department of Reform Institutions for years.

Mr. Singer: Mr. Chairman, the actual point I am making, and I think it is a valid one, is this: The government should have the support of all hon. member of the House in an effort such as this. The government is to be criticized because they have not brought before us all of the information, that there is no institution other than the Alex Brown institution—I do not know how many beds it has, how many treatment centres or locales

are available—but there should be something brought before us as a package deal so that we can understand what is going on.

I feel certain that no hon. member on this side of the House is going to oppose this type of measure, but I think the government should be prepared to take us and the rest of the people in the province into their confidence and tell us what is going on.

I am referring again to the remarks of the hon. Prime Minister, that surely the test of whether or not a person is an alcoholic is not the frequency with which he happens to appear before a magistrate; there must be a better test than this. Maybe this is a start, but it would be a start if the government was able to say: "We are bringing in this Act and at the same time have 10 beds, 100 beds, 1,000 beds available to go into immediate treatment." That is the thought that I leave with the government.

The thought that the hon. leader of the Opposition was getting across to them, is this: Is there going to be any great harm done? We have waited all these years, so put it over into January. Let it come back to the legal bills committee.

Hon. Mr. Frost: May I point out to the hon. member that if we wait until January or February, there may be some poor soul come up the day after tomorrow. We want to give this Royal assent, or he would have to go to the cooler over Christmas time. It is a very harsh sentence to do what the hon. member is suggesting. I suggest that we get this through.

Mr. Lawrence: Mr. Chairman, I have one further word and that is this: I find the ignorance of the hon. member for York Centre on this subject, as both a professional man and as an hon. member of this Legislature, rather terrifying. I say so because this is not a first step in the programme, Mr. Chairman. I am sure the hon. member has been sitting in this House when the programme of the alcoholism research foundation has been explained to this House very fully.

I am sure he has been here when there has even been reference at the time of the estimates to the Alex Brown clinic at Mimico. I am sure that, as a professional man, he is aware of several private institutions in this province which are attempting to do this work. I am even sure that, as a professional man, he has put people into those institutions because they can afford it. I have.

We are now talking about government institutions and I think it is a move by the government to enlarge this programme to

make available to the people at large, no matter what their economic means, the same opportunities to beat this dread and terrible disease that people with money and funds have.

And I am sure the hon. member in his professional capacity has had clients and put them away in some of these institutions solely and simply because they have had the money.

Now he refers to the powers of magistrates in this matter. I will be perfectly honest with the hon. member, I brought that topic up in our committee. And, as a matter of fact, rather injudiciously I referred to "ignorant magistrates." There were two or three representatives of magistrates there, and they agreed that this was a problem. The magistrates themselves have now put in motion steps to educate the magistrates in this matter.

Representatives of the Crown attorneys of the province were also there, and they have taken steps to broaden the knowledge about this matter and what the government intends to do about it.

There has certainly been reference to this programme. I very sincerely deprecate the words of the hon. leader of the Opposition, which I am afraid has relegated this matter into the hurly-burly of a political battle here now.

I am sorry, but that is—

Interjections by hon. members.

Mr. Lawrence: They have presented no real argument as to why this bit of legislation should not go through now. They have been completely contradictory, the arguments that have been put forth by the only people who have spoken on that side.

Mr. J. Chapple (Fort William): I think we should have an opportunity to speak over here for just a moment. There have been a lot of words from the other side. Maybe someone else can have a couple of words anyway.

Now the most important people, I think, for the reclamation of alcoholics are the alcoholics themselves, under the organization of alcoholics anonymous. They do a wonderful job.

Now as far as alcoholics anonymous is concerned, the people who are committed to institutions or to any place that it is intended to commit them, cannot be cured at that time in the majority of cases because a person has to want to give up drinking entirely before he can be cured. And alcoholics anonymous will never take people into their group unless

they want to be cured. When they want to be cured—

Hon. Mr. Roberts: Just let me say that we have the support of the alcoholics anonymous group and they have undertaken to work with us and work with these people.

Hon. Mr. Dymond: May I also inform the hon. member, Mr. Chairman, that the alcoholics anonymous are a very integral part of our programme when this type of patient is in our hospitals. The same goes for the Alex G. Brown memorial clinic at Mimico. The alcoholics anonymous are vitally involved in the programme. They visit regularly and take a very active part in the group sessions with our patients. This has been done and we recognize fully the tremendously important part they play in all of these programmes.

Mr. Chapple: Well, I appreciate that, and I think that the alcoholics anonymous probably know more about it than anyone else does really, because that is entirely their job. Those who have been cured look after those who have not been cured.

There is one thing that is important and that is that there has been a definite change in the ideas of this bill in the last few days. I think that if we are absolutely sure, that is fine. But the way this has swung back and forth I feel that it will not hurt anybody to hold it over until the next session. I think the government should very seriously consider doing that.

Mr. H. C. Nixon (Brant): Mr. Chairman, by saying "carried," should we do so in the committee stage? Hon. members have not had an opportunity to put their views before you.

Hon. Mr. Frost: I suggest the Opposition have succeeded in talking or filibustering this great humanitarian measure out.

Interjections by hon. members.

Hon. Mr. Frost: I will move the committee do now rise and report.

I would say that the Opposition have won their point. They have talked out this great humanitarian measure—that poor fellow will have to go to jail.

Mr. Nixon: Here we have a bill brought before this House and almost every section of it has been crossed out. And here today on 2 or 3 hon. members' desks is this new bill, a new bill completely.

Hon. Mr. Frost: The hon. member knows what it is all about, he is an old parliamentarian.

Mr. Nixon: In addition, there have been several amendments to the form of the bill that I have moved and that were carried and I now move another. Surely, Mr. Chairman, we are entitled to have this bill reprinted and placed before every hon. member so that we will know what legislation we are passing.

Hon. Mr. Frost moves that the committee rise and report certain bills without amendment, consideration of one bill, and ask leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and consideration of one bill and asks for leave to sit again.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before moving the adjournment of the House may I say that we meet, sir, at 10.30 tomorrow morning. We will proceed with the Throne debate.

I would say that there is still a chance of a reprieve of this bill. Tomorrow we can save some of these poor people from going to jail and put them in an institution instead by considering this in committee stage and giving it third reading tomorrow.

There is still that reprieve, that hope, which I think humanitarian wishes of the hon. members of this House would like to see realized.

On the other hand I would say if the hon. members opposite desire to talk the bill out again, why of course that situation will apply.

Tomorrow we will therefore take the Throne debate first and items Nos. 15, 16, 17 and 18. I do not think they are controversial. If they are, of course, they will have to stand over, but they could be cleared up tomorrow and third readings given to a number of bills. Then Royal assent could be given which I think will get the law clerks out of the attendant difficulties of carrying a bill over from this session to next session by reason of the requirements of the revision of the statutes.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, December 16, 1960

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 16, 1960

10.30 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Hon. F. M. Cass, from the select committee appointed to investigate land expropriation procedures in Ontario, begs leave to present the committee's interim report, and moves that an order be placed on the order paper for its consideration.

Mr. Speaker: Motions.

Introduction of bills.

Orders of the day.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I would like to address a question to the hon. Attorney-General (Mr. Roberts), a copy of which I have submitted to him through you.

The traditional procedure for financing a co-operative has been through the sale of share capital. The recent order of the securities commissioner, inspired primarily by doubts with regards to the sale of FAME debentures, appears to deny this co-operative the right to raise money through share capital.

Has the hon. Attorney-General given consideration to having the order of the securities commissioner clarified so as to indicate beyond any shadow of doubt the right of the directors of FAME to avail themselves of the traditional legal rights to finance the new co-operative through sale of share capital?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I think I can answer this question perhaps most appropriately and clearly if I simply read the memorandum which the securities commissioner has given me this morning and I proceed now to do so:

The decision of the securities commission dated November 30, 1960, holding that

the subject company was not being operated on a co-operative basis pursuant to the exemption provided by section 19(2)(i) of The Securities Act, was based on the fact that the company was borrowing from the public by issuing unsecured debentures whereas its borrowing powers without security were limited by section 126 of The Corporations Act to borrowing from its shareholders and members.

Care was taken not to read into section 126 any restrictions that were not imposed, and with this in mind it was noted that a co-operative company could pledge or mortgage its assets, if any, to raise funds.

On page 3 of the written reason—

I interpolate for a moment here. I read those reasons into the record on the occasion of an earlier question—they refer to the reasons of the commissioner in his ruling. I quote again:

On page 3 of the written reasons supporting the ruling that the company was not being operated as a co-operative the statement is made.

The subject company is not at present being operated on a co-operative basis. Nowhere in the decision is there a suggestion that the company should be denied the right established by statute to sell shares by way of equity financing and borrow money without security from its shareholders by way of debt financing, nor was any suggestion along these lines made in the course of the argument presented by counsel when he attended on November 29, 1960.

On December 14, 1960, local counsel retained by the subject company attended and was advised that the company was not being operated on a co-operative basis, based solely on the fact that it was offering unsecured debentures to the public, which the commission considered was not permissible in view of the restrictive provisions of section 126 of The Corporations Act.

It was then agreed that Mr. Gordon W. Ford, QC, counsel for the company, would write to the commission and in reply the commission would confirm in writing

that the sale of the debentures was the only factor under consideration and the company was free to offer shares in keeping with the spirit and intent of part 5 of The Corporations Act.

The question of the position of those who had already purchased debentures was also discussed.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, may I say that it is with very great pleasure that I extend to the hon. member for Brantford (Mr. Gordon) our heartiest congratulations on his fiftieth wedding anniversary, which is to take place on December 22—next week. It is a pleasure to extend congratulations to him as a fine citizen of Brantford, as a fine hon. member of this House—one who enjoys the confidence and the affections of the hon. members on all sides of the House.

The hon. member and his wife have made a great contribution, not only to their own city and county, but as well to the province of Ontario. And I am glad, sir, on this occasion to recognize that.

Now, sir, we have caused to have inscribed a memento of this occasion, which I am going to ask the hon. leader of the Opposition (Mr. Wintermeyer) to present to the hon. member on behalf of the government of Ontario.

This does not indicate that we are getting closer to coalition or anything of the sort. But it does indicate the unanimity of our regard for the hon. member. This is signed by myself on behalf of the government and the people of Ontario.

For the future, we wish the hon. member the best of good health, that he may enjoy continued marital happiness in the years that lie ahead.

Now, sir, we are glad to present this to the hon. member as a junior member of the partnership which was formed away back 50 years ago—that would be on December 22, 1910—indeed in a different world in very many ways from the world we live in today.

I think most of us acknowledge that we are merely our wife's husband. I suppose my hon. friend will be glad enough to acknowledge that also, but I am going to send this scroll over to the hon. leader of the Opposition and will ask him if he would present it to our good hon. friend on behalf of all of us here.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, it is a pleasure for me to join in the kindness of the hon. Prime Minister, a kindness which I am sure is

reciprocated by every hon. member here. The hon. member to whom we pay our respects this morning was elected first to this Legislature in 1948, and he has been continuously re-elected since that time.

I might point out that his anniversary date, December 22, the fiftieth anniversary of his marriage, actually carries him back to a period of time before a good many in this House were even born. I think that it demonstrates what he has done during a very long and useful life.

It may come as a surprise to some that the hon. member was born in Dublin, Ireland. He is of Scottish background, I believe, the great clan of Gordon. He later moved to England where he grew up.

He went to work at, I believe, the age of 12 years; and if the hon. member will take the opportunity to say a few words I think he will tell us that he started this work in a brickyard. When he was 19, he came to Canada.

If he will tell the House what he has told some of us privately, he will tell us that when he arrived in Canada he stood in all his worldly possessions. He took a job on a farm in the Brantford vicinity and, after two months, moved to Brantford itself, where he worked as a labourer laying sidewalks and pavements for several years.

Gradually he increased his worldly possessions and, in due course, purchased a grocery store which he operates now with his son Samuel.

I might point out to the House that the hon. member's family consists of 5 children, 17 grandchildren I believe, and some great-grandchildren.

We all know of his humility, his humanitarianism, his naturalness, and his kindness. I think he is distinguished in this Legislature for his interest in such things as workmen's compensation. On this side of the House he has become a professional advisor for all of us in conjunction with our personal constituent workmen's compensation cases and the like. He makes more appearances down there than all the rest of us put together. He is interested in fluoridation and other social legislation.

Mr. Speaker, this hon. member is an exemplification of the strains of all the Anglo-Saxon races, a man of whom we are all proud irrespective of party affiliation; a fine man and a great humanitarian.

As the hon. Prime Minister said, maybe he is the junior member of the partnership; but, junior or senior, he is an hon. member of

whom we are all justly proud. On behalf of everyone assembled in this legislative assembly this morning, it gives me the greatest pleasure to hand to our good hon. friend this scroll kindly engrossed by the government and under, I note, the personal signature of the hon. Prime Minister.

Mr. Speaker, if you will permit me, I would like to hand this to the hon. member and provide him the opportunity to say just a few words to us.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, it is a very great pleasure for me this morning to join the hon. Prime Minister and the hon. leader of the Opposition in congratulating our good friend, the hon. member for Brantford. I have known him in a very personal way since he was elected in 1948, the year I was elected myself.

I have had the privilege of serving on quite a number of select committees with him. In fact, when we were on these committees, we always seemed to room together in the various hotels because, I suppose, we had so much in common. It is a very great pleasure this morning for me to join the hon. Prime Minister and the hon. leader of the Opposition in congratulating him and the members of his family on the fiftieth anniversary of his wedding. I can assure you, Mr. Speaker, the congratulations of our group are very sincere.

Mr. G. T. Gordon (Brantford): Mr. Speaker, I would like to thank the hon. Prime Minister, my hon. leader, and the hon. member for Oshawa for their kind words of congratulation; and I also wish to thank many of the hon. members for the kind words they have expressed to me personally. One hon. member did say that if there were any special congratulations at the moment they should be to my wife for putting up with me for the past 50 years.

I must say, Mr. Speaker, we have had a happy life together and, as the hon. Prime Minister said, in 1910 things were different from what they are today. A dollar was worth a dollar. I remember that we did not have many worldly goods when we were married and that, not too long after we were married, I was unemployed for a few months; I know what it is to be unemployed.

I did come to Canada in 1907 and located in Brantford, as my hon. leader has said; and I did come with practically just what I stood in. Ontario and Canada have been good to me and Brantford, especially, has been very kind to me.

I would like to fill in just a few things in addition to what my hon. leader has said. I

was born in Dublin, Ireland, of Scottish parents. My father was a butler to a ship-builder who happened to have two estates—one in Scotland and one in Ireland. As butler for the family, he travelled with the family, and that is how I came to be born in Dublin.

My father died when I was 7, in Scotland, and my mother was left with a family of 3—I was the oldest and went to Leeds, to her sister. I went to school there, grew up, and left when I was 19 years of age and came to Canada. I did leave school when I was 12—nearly 13.

If I told the hon. members how much I got a week they would be surprised. It was 4 shillings a week. At today's exchange it is worth 60 cents, but it was a help to our little family. We did not have anything. We were poor.

Looking back over the last 50 years, I would say that we never had all we wanted, but we always had all we needed. I have 5 sons and daughters. My hon. leader was a little out in the number of grandchildren—I have 19, and two great grandchildren and more coming. So we are going to have a very happy time together.

I will be very happy to take the proceedings of this moment to my wife, and I am sure she will be very happy to know what has transpired here this morning. I thank you again and I wish all hon. members a very happy Christmas and the best for the New Year.

Mr. L. Troy (Nipissing): Mr. Speaker, after congratulating the hon. member for Brantford, and seeing this marriage of convenience between the hon. leader of the government and the hon. leader of the Opposition—which like all such marriages are dissolved very quickly—I want to refer to a very happy event which is being celebrated today in my riding.

With all due respect to the courtly and venerable hon. member for Brantford and his charming wife, I want to refer at this moment to Mr. and Mrs. Walter C. Collier, who today are celebrating their diamond jubilee in my home city of North Bay. Mr. Collier served in that battalion rich in song and story in World War I, the 159th. He also served in the Veterans' Guard of Canada in World War II.

He has 5 sons and 6 daughters. Each one of his sons served in World War II in some branch of the services. One of them, Major Harry Collier, is now doing very specialized work in The Department of National Defence at Ottawa. And I am

sure that this House joins with me in congratulating Mr. and Mrs. Collier.

Before I sit down I want to correct a *faux pas* which I committed yesterday. I neglected to inform this House of the name of the gentleman who was giving so freely of his blood to the Red Cross. It is Mr. A. W. Percival of the city of North Bay.

Hon. J. A. Maloney (Minister of Mines): Mr. Speaker, I regret that it is necessary to bring to the attention of this House the fact that Allan Rose, who fought so strenuously for his life for the past 3 weeks, has passed away. An inquest is going to be held into the circumstances of his death and all of the facts will be brought out at that time.

In the meantime, everything that can possibly be done for Mrs. Rose is being done and I understand that arrangements are being made to fly the body back to England. I know that I am speaking the mind of all of the hon. members of this House when we express to Mrs. Rose and her child our very sincere sympathy on the very tragic bereavement she has suffered in the loss of her husband.

Mr. Speaker: We will revert to presenting reports by committees.

Mr. D. H. Morrow from the standing committee on private bills, presents the committee's second report and moves its adoption.

Your committee begs to report the following bills without amendment:

An Act to incorporate St. George's college.

An Act respecting the city of Port Arthur.

Your committee begs to report the following bill with certain amendments:

An Act respecting Meadowvale botanical gardens.

Your committee would recommend that the fees less the penalties and the actual cost of printing be remitted on Bill No. Pr4, An Act to incorporate St. George's college and on Bill No. Pr13, An Act respecting Meadowvale botanical gardens.

Motion agreed to.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Labour (Mr. Daley), notice of which, through you, sir, has been given to the hon. Minister.

Could the hon. Minister of Labour tell the House what progress has been made by the

Royal commission inquiring into safety statutes and regulations and whether a report of its findings and recommendations will be brought down during this session of the Legislature?

Hon. C. Daley (Minister of Labour): Mr. Speaker, in answer to the question of the hon. member, I cannot give the answer in full. I do know that the hearings have been completed. We are all now awaiting the report. When that will be completed, I have no knowledge.

I would say, though, that my department has given full co-operation to this commission. We have nothing to hide and this morning I received a very kindly note from the commission commending my department for the assistance they had given. When the report will be brought down, I cannot say.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I am very pleased to rise at this time and take part in the Throne debate and to speak about local self-government and autonomy among the municipalities, and also to answer certain charges which have been made by the Liberals and CCF socialists.

Sir, at this time I should like to congratulate the hon. member for Lanark (Mr. Gomme) who moved that an address be made in reply to the speech from the Throne, and also the hon. member for Simcoe Centre (Mr. Evans) who seconded that motion. They gave very fine addresses. I think these will indicate to this House that these young hon. members are "comers" and that much will be heard from them later on.

I am very sorry, sir, that because of certain circumstances, the hon. member for Temiskaming (Mr. Hoffman) was unable to take part in this debate, but I have no doubt that when the opportunity is proper, he too will be given a chance to demonstrate his great abilities which were recognized by the people of his riding in electing him to this legislative assembly.

Now, in order to see this whole matter of local self-government, and autonomy for the municipalities, I should like to read an editorial which appeared in *The Municipal World* for 1949. It is entitled "The Centennial of The Baldwin Act." I am going to quote at length on this because I think it is only right that we should give a history leading up to the passing of The Baldwin

Act and what happened from that time on. The editorial reads as follows:

Great events in our history deserve special commemoration. In the municipal history of this province from 1793 to the present time, its greatest event was the enactment in 1849 of an Act intituled, "An Act to provide by one general law, for the erection of municipal corporations and the establishment of regulations of police, in and for the several counties, cities, towns, townships and villages in Upper Canada."

This Act, passed during Lord Elgin's term of office as Governor-General, received Royal assent on May 30, 1849. Parliament in that year met in Montreal and the man who sponsored the bill through the House was the then Attorney-General, the Honourable Robert Baldwin.

While to the prosaic lawyer, the Act is sufficiently identified as chapter 81 of the statutes of the Parliament of Canada, passed in the twelfth year of the reign of Queen Victoria, to the historian and more grateful municipal man from that day to this, it is commonly known as The Baldwin Act and also deservedly, as "The Magna Carta"—the great charter—of municipal institutions in this province.

Like the Magna Carta of England which marked a major victory in a long struggle in Parliament between King and people, this Baldwin Act is greatly deserving of remembrance because it, too, marks a decisive victory in the long struggle for local government—by local people for local people—without dictation from the Crown or the government or officers of the Crown.

To fully appreciate the importance of The Baldwin Act, one has only to consider the status of local government in the province during the 55 years preceding its enactment. The Parish and Town Officers Act of 1793 provided for an annual meeting of the inhabitants to nominate and appoint parish and town officers.

There was no council and the officers, including the clerk, assessor and collector, were in reality servants of the central government within that locality. The real powers of a council were vested in, and exercised by, the justices of the peace through the courts of general quarter sessions of the peace. Since the JPs were appointed by the Governor or Lieutenant-Governor, it is apparent that local autonomy in municipal affairs was negligible.

As previously indicated, urban municipalities through special Acts gradually

acquired wider powers of self-government, but the rural municipalities remained under the thumb of the central government, the Crown and the family company, until 1841, when The Districts Councils Act provided for the election of district councils in the several districts into which the province was then divided and transferred the powers of the justices to these councils.

In a sense, the struggles for responsible government at the provincial level, and for autonomy in municipal government at the local level, were but two phases of essentially the same struggle, the struggle for government "by the people and for the people."

As indicated in an excellent review of the status of local autonomy since the war in England and Europe, municipal autonomy, which we now accept as a matter of course "is not a notion of natural law but results from conquest after costly struggles."

This is true in our own province and, in these days of trends towards the loss of local powers to central authorities, and the rise of communist and socialist states, where central control is all-important, it is of the utmost importance that we should constantly remind ourselves of how great a heritage is ours through the struggles which finally established responsible democratic government, both provincially and locally, and particularly fitting that this year we should pay grateful tribute to the memory of Robert Baldwin who fought so valiantly and well for these freedoms which we now enjoy.

That is the end of that particular editorial.

I should now like to quote at length, Mr. Speaker, from a speech given by the hon. Prime Minister (Mr. Frost) in Cornwall this last spring, on June 23, to the association of mayors and reeves. The reason why I am going to quote at length from this speech is because, though some hon. members opposite have said they received the speech and read it, it appears to me that they have lost the significance entirely of what the hon. Prime Minister had to say on that occasion.

These are the words of wisdom of the hon. Prime Minister and, as we go along, this debate will get warmed up. I quote:

It is indeed a great pleasure and a source of considerable satisfaction to see so many at this convention who have come as the elected representatives of their local governments, for the sole and avowed purpose of devising some ways and means of

improving and making more efficient the government of the municipalities in the province.

I say it is a source of satisfaction because it is clear that any improvement in local government is bound to be reflected in not only the provincial but the federal government system because, under our system, government begins in the municipalities.

While the importance of local government is generally conceded today, as indeed it must be, the question whether this should be local self-government does not command the same immediate affirmation and confirmation from all sides. One might be tempted to think that the principle of local self-government was so firmly entrenched in the province as to be beyond question. But perhaps certain recent events and statements of political leaders concerning them should cause us to reappraise this large field of provincial-municipal relationship.

By reappraisal, I do not in any sense mean an agonizing reappraisal but a full, healthy and open discussion, free from bias and emotion.

This convention seems a most appropriate place for such a discussion, and it is with this thought that I feel I might make some observations. The events that I have reference to were, of course, as you may have surmised, the inquiry into the affairs of York township and the publication of the commissioner's report thereon.

It is with this background then that we discuss and evaluate, if possible, the rash of suggestions, criticism and somewhat emotional accusations which followed the release of the report of the commission investigating the affairs of the township of York. All of these can perhaps be summarized in two questions as follows:

1. Should the Minister of Municipal Affairs have the power to interfere in local government? And

2. Should the Minister of Municipal Affairs have the power to unseat a representative of local government?

The first question, it seems to me, is fundamental to our whole concept of local autonomy and independent local government. If the Minister is empowered to interfere, to what extent should he be so allowed?

First of all, it seems self-evident that in the complexity of government today there must be local units of government to provide efficient administration. If these are to exist, can they do so if at any time

the elected representatives are subject to interference from a higher level of government? Who would stand for office if he knew that he would be nothing more than a figurehead whose decision could be overruled arbitrarily from above? I suggest that no one would stand for office or, if anyone did, he would be of a calibre that would produce only confusion, mal-administration and chaos.

Interjection by an hon. member.

Hon. Mr. Warrender: May I say to the hon. members opposite: When the hon. leader of the CCF socialists (Mr. MacDonald) was speaking, I made not one word of interruption, and I would be very grateful if the hon. members would keep quiet while I am speaking. That goes for the hon. leader of the Opposition (Mr. Wintermeyer) also. I continue to quote from the hon. Prime Minister:

It seems to me that to permit such interference would serve only to produce inevitably the disintegration of our whole system of local government and with it, all government, since it is upon local government that the higher levels are, to a large degree, founded. I am well aware that centralized governments do exist, but it should be observed that they are under different conditions and only very rarely—if ever—in a federal system or in a country as large as ours.

Then again, let us consider the basis of local government. It is predicated upon the theory that people in a community are more likely to know what their requirements are than anyone else. Is it to be assumed that the Minister of Municipal Affairs is possessed of some mystic quality which enables him to know what people in a community want better than they themselves do?

I believe we are living under a democratic system and, while democracy has been defined in many ways, basically it means government according to the wishes of those governed. Can this be achieved if local government is subject to the interference by the Minister of Municipal Affairs? I think not.

There has been some suggestion that municipal bylaws should be reviewed and approved by the provincial government. I think this proposition need only be stated for its complete absurdity to be made apparent. This would be a return to The Districts Councils Act of 1841. It means the negation of all legislative authority of local municipalities and it was over this

that the struggle from 1760 to 1849 occurred.

At present there is a requirement that zoning bylaws be approved by the municipal board but this is because these bylaws are such a radical change from the old principle of "a man's home is his castle" that some buffer must be provided between the legislative authority and the citizen and property owner.

There are, as you are all aware, some murmurings of discontent over the interference of the municipal board in these matters even though to me, and I think to most of you, this seems eminently reasonable. Can you imagine what an avalanche of protest would result if all bylaws had to be reviewed at provincial level?

I have given only a few examples of the effect of interference by the Minister of Municipal Affairs in local government. They could be multiplied and expanded many times over. I think the answer is clear.

We should not throw away almost 100 years of struggle, including one rebellion, expended in obtaining local self-government through The Baldwin Act of 1849, but should continue under that Act which has provided sane, safe and satisfactory municipal institutions in this province for more than 110 years.

Now, as to the second question. Should the Minister of Municipal Affairs have the power to unseat a representative of local government disqualified under the provisions of The Municipal Act?

First of all let it be said that if it is disclosed that any councillor has been guilty of any criminal act, then the province is interested and does institute criminal proceedings. Of that there is no question.

It has been suggested that in ordinary cases whereby a municipal councillor has become disqualified under the provisions of the Act, that the Attorney-General still has the power to commence proceedings to unseat him; and if he has not, then the Act shall be amended to give him this power.

As to the first question, I have taken the advice of the law officers of the Crown, in whom I have every confidence, and I am advised that no such power in the Attorney-General exists today, having been removed over 50 years ago. Proceedings to unseat a councillor disqualified by the provisions of The Municipal Act must be commenced by an elector.

Mr. J. J. Wintermeyer (Leader of the Opposition): Would the hon. Minister permit a question? Very prominent lawyers disagree with him.

Hon. Mr. Warrender: The quotation continues:

Then it is said the Act should be amended so as to enable the Attorney-General to take proceedings to unseat an elected representative who is disqualified under the Act. This really is quite a startling proposition. You will remember that one of the—

Hon. L. M. Frost (Prime Minister): I would suggest that the hon. Minister go back a paragraph. I think these hon. members are getting confused. It might be well to straighten that out for them, so that they will understand.

Hon. Mr. Warrender: The previous paragraph reads:

As to the first question, I have taken the advice—

Mr. Wintermeyer: Mr. Speaker, may I ask the hon. Minister a question?

Interjections by hon. members.

Hon. Mr. Warrender: I repeat:

As to the first question, I have taken the advice of the law officers of the Crown, in whom I have every confidence, and I am advised that no such power in the Attorney-General exists today, having been removed over 50 years ago. Proceedings to unseat a councillor disqualified by the provisions of The Municipal Act must be commenced by an elector.

Then it is said the Act should be amended so as to enable the Attorney-General to take proceedings to unseat an elected representative who is disqualified under the Act. This really is quite a startling proposition. You will remember that one of the greatest sources of dissatisfaction under The Districts Councils Act of 1841—

Mr. Wintermeyer: Mr. Speaker, may I ask the hon. Minister a question?

Hon. Mr. Warrender: Mr. Speaker, I am quite prepared—

Mr. Wintermeyer: Surely he should tell us the section of The Municipal Act to which he is referring?

Hon. Mr. Warrender: Mr. Speaker, may I continue?

You will remember that one of the greatest sources of dissatisfaction under The Districts Councils Act of 1841 was that the elected representatives were subject to the approval of the provincial government and it was only under The Baldwin Act of 1849 that this disability was removed. Are we now to revert to 1841? Are we now to revise and amend the charter of municipal liberty that was won by our forefathers over such a long period?

Section 7 of The Municipal Act provides that the inhabitants of every county, city, town, village and township shall be a body corporate. This section has been carried forward unchanged since 1849, and it is the keystone in the arch of municipal freedom. It makes a municipality a legal entity with all the common law and statutory powers flowing from them.

In effect, the council is the board of directors and the inhabitants are the shareholders in this corporation.

In the light of this concept, let us examine the desirability of giving the Attorney-General or any Minister of the provincial government power to unseat a disqualified councillor.

Commercial corporations which operate within the framework of The Companies Act may have stock in large amounts distributed amongst a large part of the public. The directors of these companies must operate within certain rules and if these are breached, may be removed by an action of a shareholder. If they commit criminal acts, they are liable to prosecution just as councillors are liable to prosecution.

In the absence of this, however, there has never been any suggestion that the Provincial Secretary intervene to remove disqualified directors, as this has been up to the shareholders who are those primarily concerned.

Similarly, in municipal corporations the electors are the shareholders and if their directors act contrary to their interests, surely it should be those most interested and only those who have the right to remove them.

Perhaps I should not leave this subject without one further observation. It may be said that, in speaking to you as the elected representatives of local municipalities, I am speaking to a "packed house." I do not consider it so. I am speaking to you as a class of citizens historically known as public-spirited citizens dedicated to pub-

lic service—not local public service but provincial and national. As proof of this I have only to mention that in the House of Commons for many years, over 25 per cent of the members have had previous service on municipal councils.

And then the hon. Prime Minister concludes by saying this:

In the profession of law there is an old saying, "hard cases make bad law." In my opinion, the few hard cases in municipal government that have recently occurred should not be allowed to make bad law—should not be allowed to persuade us to cast aside rashly the independence of local government which has stood the test of over 110 years of practical administration.

That is the end of the quotation, an excerpt from the speech given by the hon. Prime Minister to the mayors and reeves.

To this date, no replies have been received from the association of mayors as to the questions posed by the hon. Prime Minister at that time. But I should say that we are having the opportunity of meeting both the association of mayors and reeves and the Ontario municipal association next week, and we shall find out exactly what their formal position will be in respect to the questions asked by the hon. Prime Minister.

I want to point out, Mr. Speaker, to many of the hon. members in this House, especially on the other side, that I have had the opportunity to speak individually with many of the mayors and reeves in this province; and I want to say to the hon. leader of the Opposition that they do not support his proposition at all concerning this question of self-government and local autonomy.

In light of the historical background which I have given you, Mr. Speaker, and in light of the excerpts given from the speech made by the hon. Prime Minister, I want to go on and compare the speech given by the hon. leader of the Opposition in this House on November 29, on what I think will go down as a black day in the history of this province. I want to quote certain excerpts from the hon. leader of the Opposition's speech—

Hon. Mr. Frost: You mean a black suggestion?

Hon. Mr. Warrender: A black suggestion and a black day for the province.

Interjections by hon. members.

Hon. Mr. Warrender: Here is what the hon. leader of the Opposition said, and I

ask hon. members to compare it with the words of wisdom of the hon. Prime Minister uttered last June. I quote:

I fundamentally feel, Mr. Speaker, that the municipalities are not an independent economic group; they are the children, if you will—

Hon. Mr. Frost: He said this?

Hon. Mr. Warrender: Yes.

—they are the children, if you will. They are the agency of this legislative body and we have an obligation, Mr. Speaker, to the taxpayers in each municipality to assure that the elected municipal representatives who administer the municipalities actually carry out those responsibilities. That is the responsibility of The Department of Municipal Affairs and that, without being vindictive about it, is the job of the hon. Minister, and he must stand or fall on the performance of his subordinates.

Mr. Wintermeyer: That is right.

Hon. Mr. Warrender: That is right, the hon. leader of the Opposition says. Now, let us analyze the good little excerpt.

In the first place, as I point out, it is diametrically opposite to the stand taken by the hon. Prime Minister.

Mr. Wintermeyer: No, it is not.

Hon. Mr. Frost: It is supported by history.

Hon. Mr. Warrender: Diametrically opposed. This does not prove it is wrong, but I am leaving it to the mayors and reeves and the representatives of the Ontario municipal association; they will tell us whether it is right or wrong, and we will be seeing about that next week.

But it is the last part of that particular paragraph which I want to take exception to. What it says, in effect, is that my people, my subordinates, have let the people of the province down. Then he goes on to back up that statement here, criticizing the Minister.

I recognize that a person in public life has to take these criticisms as thrown at him, but I do resent, Mr. Speaker, the imputation that my people, my subordinates, have not been doing their duty.

Mr. Speaker, let us take the Eastview case for just a moment. Mr. Lorne Cumming—formerly of the municipal board for 10 years—and Mr. Carter, who were here this morning, worked with me on that case.

I took advice from them; I think it was good advice, and yet they are criticized by

the hon. leader of the Opposition in his remarks.

A couple of nights ago the hon. member for Windsor-Sandwich (Mr. Belanger) got up and criticized me, which is fine, I accept that, although what he says is that the Minister is more disinterested than interested in certain of these things—which of course is not true. But then this is what he says about Mr. Carter:

Mr. J. W. P. Carter, the man whom to the hon. Prime Minister is “my boy Jackie” and who is not co-operative with the hon. Minister and Deputy Minister.

Mr. Speaker, I want to set the record straight. I have had the utmost co-operation from Mr. J. W. P. Carter and I can say to you, sir, that the Deputy Minister, Mr. Cumming, who is here today, has told me exactly the same thing. I think it is high time, Mr. Speaker, that somebody remind the hon. members opposite that they do not criticize members of the civil service in this House, it is a contemptible low trick—

Mr. Wintermeyer: It is from the hon. Prime Minister’s statement in Ottawa on July 25.

Hon. Mr. Warrender: It does not give them an opportunity to hit back. I say if there is anything wrong with my employees, bring it to me and I will deal with those employees and see that they are dealt with fairly.

Mr. Speaker, I want to come to one of the most preposterous propositions ever enunciated in a public place. And I refer to an excerpt from the speech made on that black day, November 29, by the hon. leader of the Opposition. This is what he said:

It is our responsibility to enact laws now and at this session which will preclude men of the temperament of the gentlemen—(referring to the people in Eastview)—who are in charge of continuing to operate any municipality. I believe this very strongly. I must emphasize again I am not prejudging these men.

I will come to that in a moment. I continue to quote:

I am saying that if they do not have the competence to administer a municipality, then we are downgrading our concept of democracy by permitting them to continue, and we cannot leave that determination to the ratepayers. We are doing—

Mr. Wintermeyer: Mr. Speaker, on a matter of personal privilege, the hon. Minister has

suggested that I made the most preposterous statement ever made in the House. All right. Now that should certainly, Mr. Speaker, permit a comment on my part.

Hon. Mr. Warrender: That is not a point of personal privilege.

Mr. Wintermeyer: Section 341 of the hon. Minister's own Act says exactly what the man says. Mr. Speaker, would you please rule on this? The privilege is that it has been said I am making the most preposterous statements ever to be made in this House, when my statement is wholly consistent with section 341 as it is now written.

Mr. Speaker: I cannot recognize any point of privilege in the leader of the Opposition's request. Members are entitled to their opinion.

Hon. Mr. Warrender: Mr. Speaker, I repeat that in my opinion, this is the most preposterous proposition ever enunciated in this legislative assembly.

I sat here, Mr. Speaker, while I was asked for my resignation, I sat here while I was maligned. The hon. leader of the Opposition goes on television the same night—which was not a privileged occasion. He smeared me on television and he is trying now to prevent me from making my speech when I did not interrupt him. The only interjection I made when he was speaking was to say to him: "Do not prejudge this until you have heard all the evidence."

And as for "loudmouth" over here, he can keep quiet. I did not interrupt him at any time while he was speaking.

Interjections by hon. members:

Mr. Speaker: Order, order. I would point out to members of the House that all members are allowed the opportunity of presenting their remarks and should be listened to.

Hon. Mr. Warrender: Mr. Speaker, if I may I will continue quoting from this excerpt which will go down in the history of this province as being one of the most ridiculous ever submitted. The hon. leader of the Opposition goes on to say:

We are doing a disservice to the local ratepayers to permit them to assume the responsibility that we should assume at this level. That observation I make.

Therefore, Mr. Speaker, one of my first recommendations is that this government give immediate consideration to the type of legislation that will assure that persons who are either incompetent or unable to

manage the affairs of the community efficiently be required to resign and quit their posts as municipal officials.

That is the proposition! Great champions of the municipalities! And then the hon. leader of the Opposition goes on to say:

Unless we do that, we are doing a disservice to the municipal institutions in the province of Ontario. It is our responsibility to enact laws to govern them and I recommend that immediately.

Mr. Speaker, let us just take this little excerpt and analyze it and see what implications flow from it.

In the first place, I want to make it clear that I, as Minister, do not want this power or this responsibility suggested by the hon. leader of the Opposition, and I would resist any other hon. member or any other person trying to get it.

But what I do say is this, Mr. Speaker. Just let us assume for a moment that this particular person, the Minister of the day, were clothed with these powers. I am going to show you just how ridiculous this could be.

Power to remove incompetents: the Minister has not that power and he does not want it and he will not let anybody else have it if he can stop it. But, let us assume that I had the power. Then I would have to decide, Mr. Speaker, just what this word "incompetent" means.

On what basis would I decide who is incompetent? Would it be because I did not like the looks of a socialist on the other side? Would it be because I did not like the way a certain person combed his hair or because he had no hair? Would it be because I did not like the way he was running his municipality?

And if I had that power, one of the first ones to go—he would have been out before the first year of his office was completed—would be the hon. member for York Centre (Mr. Singer). He would have been out of there if I had had the power.

Now we are going to take this to its logical conclusion. We are going to take a case right here in Toronto just to show how ridiculous this thesis can be if the hon. member for York South (Mr. MacDonald) will keep quiet for a while. How many hon. members do I have to buck here to make this speech, Mr. Speaker? I did not annoy him or interject any remarks when he was speaking.

Mr. D. C. MacDonald (York South): The hon. Minister had nothing to interject.

Hon. Mr. Frost: He had a great deal. The hon. member wanted the head of the hon. Minister on a platter. That is what he wanted, and when he fights back the hon. member interrupts him.

Hon. Mr. Warrender: They thought I was not going to fight back. They even spread the word around that I did not have the courage to come in and face this House. On one hand, Mr. Speaker, the hon. leader of the Opposition wants me to resign and so get rid of me, and on the other hand a couple of nights ago he was looking for me and wanted me back. The hon. members can understand I could not resist this, I just had to come back. I had my resignation in my pocket all ready to hand over to the hon. Prime Minister and I tore it up because the hon. leader of the Opposition wanted me back.

Now, Mr. Speaker, if I may continue without interruption, I want to take this proposition enunciated by the hon. leader of the Opposition, and I want to show you just how ridiculous it is when one applies it to a local situation.

Take the mayor of all the people, Mr. Nathan Phillips—and I am going to get a little personal now. If I were clothed with all these powers that the hon. leader of the Opposition says that the Minister of Municipal Affairs should have, what would I do with Nathan? I mention this because, let us not forget, the *Toronto Daily Star* on many occasions over the last 6 years, I believe, has said that Mr. Phillips is incompetent.

Interjections by hon. members.

Mr. Speaker: Order, order. I would ask the members once again to listen to the Minister who is speaking so they will know what he is saying.

Hon. Mr. Warrender: Mr. Speaker, we are going to be here for a long while because I am going to take and rub their noses right in what they gave to me.

I say, Mr. Speaker, I am assuming and taking on now the role of Minister of Municipal Affairs clothed with the authority which the hon. leader of the Opposition would like him to have. I am taking the local situation and, as I say, a local paper, the *Toronto Daily Star*, has said for years that Mr. Phillips is the most incompetent mayor this city has ever had.

Now, clothed with my new authority what do I do? I get in touch with the mayor of

all the people, I bring him to my office, and I say: "Mr. Mayor, due to the fact that I am now clothed with these powers, you are now out of office."

Knowing his worship the mayor, the mayor of all the people, what does he say to me? "Well, at least you will give me an opportunity to present my defence?"

So I say: "All right. I am a pretty busy fellow. I have a lot more mayors and reeves out in the outer office I have to fire, but I will tell you what I will do, Mr. Mayor. I will give you 5 minutes because I am a very busy fellow."

So the mayor says, "All right, I read your speech about local autonomy and what led up to 1849, the passing of The Baldwin Act. Why do you not give me a break?"

I say: "You are incompetent, I have the powers, and you are done."

Now, Mr. Speaker, as I go along I want you to note how I become more dictatorial all the time, clothed with these new powers which I am assumed to have at the moment.

So, Mr. Speaker, if I may continue, his worship the mayor, the mayor of all the people, says to me: "You cannot do this, it is not right."

And I say: "Well, I have the power."

He says: "I will take it up with the Prime Minister." I say: "You do that, because with my powers if the Prime Minister wants to call me or come to my office I will give the Prime Minister a courteous hearing, I will see that he gets well heard."

As I get more dictatorial I say to the mayor of all the people: "These are my powers. The Prime Minister knows it, he tells me I am doing a good job—tells me to keep all the municipalities disrupted, have as many elections as possible on the Saturday before Christmas, and generally stir the thing up."

Well, now, the mayor says to me: "All right, I will yield. Who are you going to put in my place?"

I say: "I will tell you. Before you came in here I decided you were going to be out of office anyway, so I have given it a lot of thought, and I have decided that with these powers suggested by the hon. leader of the Opposition I am going to elevate Mr. Lamport to the office."

The mayor says: "I beat Mr. Lamport."

I say: "That is all right, but I do not want to put the taxpayers of Toronto to a lot of extra expense, I am going to put 'Lampy' in because it has been said that he is a man of vision, a man of experience, he has been in

the legislative assembly, he has been mayor, he knows the whole score. And furthermore, I would like him to be mayor because it will set him up some day to become leader of the Liberal party, and if ever they needed a shake-up in the Liberal party they will get it from that fellow 'Lampy'."

But the mayor of all the people says: "You cannot do that because he has been declared incompetent too." I say: "Who said that?"

He says: "The other papers say that."

"Well," I say, "Mr. Mayor, I completely overlooked that point, so he is out too." Then I add: "I tell you what we are going to do, Mr. Mayor. Instead of raising 'Lampy,' then we are going to put Mrs. Newman in because nobody can say she is incompetent."

He says: "Oh, no, wait a minute, just a minute! One of the papers said she was incompetent, and in addition, the other day I was talking to a fellow and he told me that his grandmother had a cousin who one day talked to her uncle, and her uncle after getting loaded with 7 or 8 beers called Mrs. Newman about 4 o'clock in the morning. And he said, 'Do you know that woman refused to discuss municipal affairs at 4 o'clock in the morning?'"

I say: "Well, there is obvious incompetence, she does not even want to talk to local rate-payers. So she is out."

"Well," says Mr. Phillips, "what are we going to do?"

I say: "I gave it a last thought while you have been speaking, and I will tell you what we will do, Mr. Mayor. The whole 3 of you are now out, based on the proposition raised by the leader of the Opposition. We are going to have a complete new election in the city of Toronto and, if after that election you get in again, I will just have to declare you incompetent again and we will start over. I do not know where this is going to end."

Mr. Speaker, I bring this in to show you how completely ridiculous is this suggestion made by the hon. leader of the Opposition.

Hon. Mr. Frost: Contrary to British justice.

Hon. Mr. Warrender: On one hand the hon. leader of the Opposition says we can interfere with the local municipality, and not long ago some of his own people said that we were treating the municipalities like children. Just whatever way they want to blow around!

I think that the people in our Department of Municipal Affairs are doing an excellent job for the municipalities of the province. I looked up the other day to find out how many

boards and commissioners there are. There are 977 municipalities in the province. I had my boys check into it, and I found that there were various kinds of boards, commissions and public utilities making a total of 6,554.

There has been a statement made in this House that there is a general deterioration of morality on a municipal level. I deny that emphatically. Those hon. members across take 2 or 3 cases in the history of this province—just recent history—and say that, because we are not on the job, there is general deterioration among the municipalities. I say it is a lot of nonsense; and I do not care what the *Toronto Globe and Mail* editorial or any other editorial says. As a matter of fact, the indications are that morality is very high indeed.

I say further, that there are probably hundreds, probably thousands, of persons serving on these boards and commissions who are providing very fine public service to their respective communities. They are slurred by these hon. members over here who say there is general deterioration at the level of the municipalities.

Now, what do some of the papers say about this whole question of self-government and autonomy? I want to read from the *Toronto Globe and Mail*—the same one that has been used before, December 7, 1960—an editorial entitled: "Power of the Vote."

It reads as follows:

When Judge Joseph Sweet published his famous exposure of incompetence and illegality in the local government of York township, there was an immediate demand, from many quarters, for the province to take greater control of municipalities. When a provincial inquiry disclosed a highly unsatisfactory state of affairs in the administration of Eastview, the same cry was raised again.

The municipal elections have shown how mistaken was this demand. The voters of York township have cleaned house and elected a reform candidate in reeve Frederick Taylor. The voters of Eastview have swept the old council from office and elected an entirely new one. This is the democratic way, and it is much to be preferred to arbitrary action by a senior level of government. The people of York township and of Eastview are responsible for their own local government, and they have shown they are willing to accept the responsibility.

Let me read from another editorial in the *Kingston Whig-Standard* for May 20, 1960, entitled, "Rubber-Stamp Councils?" This is

an excellent editorial from a paper which has influence across the length and breadth of this province.

Here is the editorial:

Is the day near when local governments are to become nothing more than rubber-stamp agencies for the centralized provincial government? This tendency is being fought both by the municipal bodies themselves and by those provincial Ministers whose departments are connected with the administration of civic or township affairs. But there are persistent cries from other quarters for action which would hasten this event.

For example, the *Toronto Telegram* berated Mr. Warrender, the Minister of Municipal Affairs, for refusing to take some punitive action against those men directly involved in the York township hearings. Now the *Windsor Star* has chastized Mr. Robarts, the Minister of Education, for refusing to ban advertising material in textbooks after he said that while his department does not sanction the use of such material, there is very little it can do about it.

Mr. Robarts is quite right. This is the responsibility of the locally elected boards of education, but obviously there are those who have no confidence in their judgment and would have their actions governed by directives from Queen's Park.

Municipal government, as complex a field of administration as can be found, and run by men who are virtually amateurs—only in the largest of our cities does one find men willing to, or capable of, making a career of local politics—does demand some form of paternal surveillance and this is provided. Mr. Warrender, for example, provided it in the York township affair. He refused, however, to go beyond this. Once the situation had been clarified, it became the business of the municipality concerned to act.

If this is not satisfactory to the majority of taxpayers then they must be prepared to allow some form of centralized administration to handle their affairs. They must also expect to find their own influence and voice in their affairs diminish as the central body's powers expand.

And then a final paragraph:

This is what will occur if opinions expressed by the *Telegram* and the *Star* become widespread.

And I might add there—in parenthesis—if the remarks of the hon. leader of the Opposi-

tion are to be accepted. I continue to quote from the editorial:

However, there is no necessity for this if the citizenry recognizes that the apathy reflected in part by the low turnouts at municipal elections is creating the type of maladministration which leads to the demands for increased provincial intervention.

Well, now, Mr. Speaker, we come to the Eastview case. This is a very simple matter to handle now, for the reason that the hon. member for Russell (Mr. Laverigne) showed a remarkable amount of intestinal fortitude when he came into this House, admitted certain indiscretions, admitted that our people had been trying to help him, but for reasons of his own said the Eastview council wanted to handle this in their own way.

The whole premise of the hon. leader of the Opposition, the other day, was that we had not done our proper job in respect of this municipality, between 1958 and 1960. I have my witness here that what we tried to do is right on the record; everything we tried to do is there, between 1958 and 1960.

There is the situation. We tried to help in Eastview; but, for certain reasons, as the hon. member for Russell said, they wished to carry on as they were doing. So far as Eastview was concerned, there is now a new council. The new council has said they want an investigation; the hon. Attorney-General (Mr. Roberts) has said that he has transcripts of evidence; that evidence is being examined to see if there is anything there which will merit further investigation or perhaps charges being laid.

We have been prepared to help, and are now helping that municipality to get its affairs straightened out; and we will continue to do so. That is the function of The Department of Municipal Affairs.

It is obvious from the remarks made by the hon. members opposite that they have not the slightest conception of the proper functioning of The Department of Municipal Affairs.

The other day, the hon. leader of the Opposition got up and, in his sanctimonious way, said: "Unless we know the past we will lose the future." I have indicated to him what the past is; he knows the history of the effort of the people to bring about the passage of The Baldwin Act, the great charter for the municipalities. He knows all about that.

But he would rather go out and try to get me personally; try to smear me in public, smear me in the House, smear the people who

work in my department, and then go on television—which is not a privileged occasion—and further defame me, and he says: “I did not try to misjudge anybody.” He says: “I did not try to prejudge anything.”

I was in Ottawa on governmental business, the day after he was on television, and there were lots of headlines in the Ottawa paper. Why? For no other reason than he knew there was an election coming up in Eastview; he knew this was a vital time to hit.

He says we do not believe in a jury of the people, and I have spent about the last hour, Mr. Speaker, trying to indicate that this is exactly what we do believe in, and that we want the local people to have the opportunity to handle their own municipal affairs.

As far as Vaughan township is concerned—the hon. member for York Centre brought that up and asked me some rather pointed questions the other day. He tried to bring in that there had been discussions—with whom I do not know.

Apparently someone in a newspaper article wanted me to fire these people and I am not going to do it. I tell this House that right now.

I have made myself available to anybody from Vaughan township who wishes to come down to give me the evidence which might lead to recommendation to the council for the issue of an order for a commission of inquiry—but only if the evidence is there, and not just an editorial from a newspaper.

Interjections by hon. members.

Hon. Mr. Warrender: Nobody came to me, nobody at all. I made myself available—

Mr. V. M. Singer (York Centre): Is the hon. Minister ashamed to tell us what he is doing?

Hon. Mr. Warrender: I have made myself available.

An hon. member: The Woodbine plan.

Mr. Speaker: Order, order. Members, if you please—

Hon. Mr. Warrender: Mr. Speaker, there is a fundamental principle involved here and I am going to say that I do not like the way it has been handled. I do not like the way the hon. member for York Centre got into this as a party to the whole affair; and here is what happened.

Two men, whom I would not recognize if they walked in here today, are charged by

the press with certain offences which are said to have been proved but which I doubt. Charged by the press, they are sentenced and found guilty by the press before anybody comes to me, and I am supposed to be the responsible Minister. Nobody came to me with any evidence—they want to come to me and they want me to delay their election based on certain information given by “Joe Dokes” or somebody else.

Then, no doubt, they prompted the hon. member for York Centre to get up and ask these loaded questions so that they can follow up with an editorial.

And I say it is not right—no matter who these candidates are—that they should be tried by the press, found guilty, and thrown out of the picture before they even have an opportunity—

Mr. D. C. MacDonald (York South): The hon. Minister does not want freedom of the press, now.

Mr. Wintermeyer: If he had been on his toes, it would not have been tried by the press.

An hon. member: That is right.

Hon. Mr. Warrender: Now there he goes. If I had been on my toes, the hon. leader of the Opposition says, this would not have happened. Now what a ridiculous proposition—

Hon. Mr. Frost: What a ridiculous proposition!

Interjections by hon. members.

Mr. Speaker: Order, order.

Hon. Mr. Warrender: Now, Mr. Speaker, if I did as obviously the hon. leader of the Opposition wanted me to, I would have inspectors in every municipality of this province breathing down the backs of the necks of all the municipal representatives, watching every move they make. Talk about the Gestapo; why we would have war, we would have dictatorship in this province—

An hon. member: Run them out of office!

Hon. Mr. Warrender: —we would have civil war and everything else. What a ridiculous situation.

Hon. Mr. Frost: The rebellion of 1837.

Mr. Wintermeyer: We do not like civil war.

Mr. MacDonald: We are close to mob rule.

Hon. Mr. Warrender: Coming back to the Vaughan township proposition again—

Interjections by hon. members.

Mr. Speaker: Order, order.

Hon. Mr. Warrender: I am not finished, Mr. Speaker, I still have a lot more to say.

Coming back to the Vaughan township situation once again—to conclude it, I repeat that I have made myself available to meet those people. I had an appointment with a delegation which was set up, Mr. Cummings told me, last Monday at 10.30; but 10.30 came and went and there was no delegation and then they phoned again to say they would like to come in.

I am prepared to meet these people at any time; I am always available—

Hon. Mr. Frost: The people have cleared it up in Vaughan township.

Mr. Wintermeyer: He does not want to trust the people.

Hon. Mr. Warrender: They have cleared it up by the vote. Some still want to come down and see me, and I am prepared to meet these people; but I cannot understand what the hon. member for York Centre is getting at when he talks about these discussions. I have not had an opportunity to discuss anything with these ratepayers. Yet he wants to bring in a loaded question—

Mr. MacDonald: The hon. Minister could not understand, period.

An hon. member: He does not trust them.

Mr. Singer: All the hon. Minister has to do is give a reasonable answer.

An hon. member: These great municipal experts.

Another hon. member: Tell us about the missing file; yes, tell us about that.

Interjections by hon. members.

Mr. Speaker: Order, order.

An hon. member: He has more explaining to do about that than anything I know.

Hon. Mr. Warrender: Mr. Speaker, may I say this? I want to say a word as to the duties and responsibilities of The Department of Municipal Affairs.

It is my contention, backed up by the strongest evidence, that the officials of The Department of Municipal Affairs have been carrying out their duties to the fullest, without trying to obtrude themselves into local municipal matters so far as action on the local representatives is concerned. It never was intended that we should.

I have as my witness, so far as Eastview is concerned, the hon. member for Russell, who showed a considerable amount of intestinal fortitude in coming in and making the speech that he did.

I say that so far as The Municipal Act is concerned, that Act, as amended, is a good Act.

Several hon. members: Hear, hear.

Hon. Mr. Warrender: I admit that there are some outdated sections in that Act, but they are not used. I say that the operative sections that are amended from year to year are good sections and are serving the municipalities well.

Now what of our future relationship with the municipalities? I have repeatedly said, in addressing the Ontario municipal association, the mayors and reeves and other public meetings, that ours is a service department; that we are there to guide and assist municipal representatives if they have a problem or anticipate a problem.

Experience over the years has shown that this counsel and advice has been good, and that in no case has there been a breakdown in this system, where the municipalities have sought and heeded the advice of the departmental officials.

Just as we assisted Belleville to get their affairs straightened out, we have assisted and shall continue to assist the representatives of Arnprior, York township and Eastview. We stand ready and willing, as we have done in the past, to aid any who come to us seeking counsel and advice.

The results vindicate our belief in the democratic system, and in the principle of local self-government, and support our desire to strengthen rather than weaken this system. We believe that our decision in this respect is the correct one and the only proper one to take, and I appeal for the support of all hon. members in this legislative assembly as we stand fast to this policy.

Mr. A. Carruthers (Durham): Mr. Speaker, I move the adjournment of the debate.

Mr. Wintermeyer: Mr. Speaker, may I rise on a point of order? I would like to ask you,

Mr. Speaker, whether or not I may make any observations with respect to a suggested motion?

Interjections by hon. members.

Mr. K. Bryden (Woodbine): They wait for 4 weeks to bring it in and then they cut it right off.

Several hon. members: No, no.

Mr. Speaker: Order, order. Mr. Carruthers moves the adjournment of the debate.

Interjections by hon. members.

Hon. Mr. Frost: Mr. Speaker, will you please revert to the order of the House?

Mr. Wintermeyer: Mr. Speaker, I asked a question.

Mr. Speaker: Order.

Hon. Mr. Frost: It is not debatable.

Interjections by hon. members.

Mr. Speaker: Order. The motion to adjourn is not debatable but—

Hon. Mr. Frost: What are you going to vote on?

Interjections by hon. members.

Mr. Speaker: Order, order. All those in favour of the adjournment of the debate will please rise.

Hon. Mr. Frost: Mr. Speaker, I think that this is not a recorded vote according to the rules.

Interjections by hon. members.

Mr. Speaker: Order, order. All those who are opposed will please rise. Rule 107A says:

Upon a division, the yeas and nays shall not be entered upon the minutes unless demanded by 5 members, and on questions of adjournment of the House or of the debate the numbers only shall be entered.

The members in favour of the adjournment of the debate will please rise.

All those opposed will please rise. The "yeas" are 56, the "nays" 1.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, might I ask you to revert to the orders of the day for this purpose:

I would like to make an acknowledgment to the Speaker. I know that this will highly

embarrass him, but I might say to the hon. members of the House that it has just come to my attention that there was what might have been a serious fire in the Speaker's apartment last night.

Around 3 o'clock Mr. Speaker, with his usual vigilance and indeed courage, extinguished that fire and put in the alarm that undoubtedly saved this building.

Sir, we very greatly appreciate that, and at this time, in a different atmosphere and spirit than that which has prevailed, we once more become unanimous in commending you, sir, and others in connection with what might have been a very great disaster to this province.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third readings, upon motions:

Bill No. Pr24, An Act respecting the Royal Ottawa Sanatorium.

Bill No. Pr32, An Act respecting the synod of Toronto and Kingston Glen Mhor camp.

Hon. Mr. Frost: I move that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole, Mr. W. E. Johnston in the chair.

BOUNDARIES OF ALGONQUIN PROVINCIAL PARK

House in committee on Bill No. 18, An Act to extend the boundaries of Algonquin provincial park.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Chairman, I would like to move some amendments to this bill: Firstly, that the heading be deleted; secondly, that section 2 be deleted; thirdly, that section 3 be renumbered as section 2; and fourthly, that section 4 be deleted and a new section inserted as section 3, the new section to read as follows:

This Act comes into force on January 1, 1961.

Fifthly, I move that section 5 be numbered as section 4; and, last, that such editorial changes be made as are necessary to effect the purpose of the above.

The effect of this amendment, Mr. Chairman, is to bring the bill in line with the way it should read when it becomes part of the 1961 revised statutes.

Hon. L. M. Frost: (Prime Minister): Mr. Chairman, I would not bother the House with processing some of these matters except for a complication we have in connection with the revision of statutes, which I do not think it is necessary for me to go into. The point is that if the Act becomes effective January 1, 1961, then a lot of extraneous matters contained in the Act can be eliminated which will bring it down to the simple question of the operative sections. I think that is the purpose of the amendment.

Mr. H. C. Nixon (Brant): May I ask: Is there nothing else in this amendment except that?

Hon. Mr. Frost: Nothing whatever.

Mr. Nixon: Well, it sounds like a very simple amendment, but I want to protest, Mr. Chairman, the manner in which the government is trying to put their legislation through this session. I have never seen bills come to the House in the condition that they have come before us. Now, the hon. Prime Minister says these things crop up. Well, why has it not been considered before the bill is introduced that the statutes are going to be consolidated, so that we have the bill before us in its proper form? Now, this is not the first time; almost every bill that comes before us is amended in the most complicated procedure.

Hon. Mr. Frost: I agree.

Mr. Nixon: I, for one, certainly cannot follow it, and I say that we should not be passing legislation here until the proposed amendments are not necessarily printed, but at least mimeographed, which can be done so quickly and efficiently and cheaply today—so that every hon. member would have the amendments before him on his desk.

In many cases, one copy is given to the hon. leader of the Opposition (Mr. Wintermeyer), to my hon. friend (Mr. MacDonald), and to the hon. Prime Minister. None of the rest of us, Mr. Chairman, has the faintest idea what is going on, and what legislation we are putting upon the statutes.

Hon. Mr. Frost: Mr. Chairman, I have a good deal of sympathy with the point of view of the hon. member. Now, I would suggest this—I think that this amounts to the same thing, as a matter of fact. Let us leave these bills without these amendments. Let them go through as they are in the form that the hon. members have them. Now, what is involved is this: that next February we have to come

back and strike out certain items in order to fit them into the revised statutes which become effective on January 1. Actually what we were endeavouring to do—and I admit to the hon. member that it is a confusing procedure, not only to him but also to me—

Mr. Nixon: And the hon. Prime Minister is a lawyer, too!

Hon. Mr. Frost: Well, I have long ceased to be a good lawyer. I have not practised for a long time and I must admit that I do not know the effect of some of these enactments from a legal standpoint, but I think it is confusing.

What happened was that the law officers felt they could, by means of making these bills operative on January 1, eliminate bringing them back to the House in the form of a different bill next February. Now, that is all there is to it.

I would say if the striking out of these sections, which are merely repetitious and redundant, is confusing—and I can understand that it is—then let us go through with them the way they are and introduce the necessary amending bills in January.

As the hon. member for Brant says, the amendment is before the hon. members. I agree with that. If the hon. leader of the Opposition would prefer that we stick to bills as they are without those amendments, we will do it.

Hon. Mr. Spooner: Mr. Chairman, it is quite easy to explain the bill. The pertinent portions of the bill remain unchanged. The purpose of the bill is to add the public lands in the geographic townships of Bruton and Clyde and the provisional county of Haliburton to Algonquin provincial park and to further provide that hunting and the use of firearms will be permitted on the land so added.

Now, if hon. members still feel there is too much legal phraseology in my amendment, I will be glad to withdraw it, and proceed with the bill as it is. But the amendment will have to then go through in 1961.

Mr. Nixon: I do not understand what the rush is about these. We are going to adjourn today, I presume, for approximately a month and the House will reconvene after the holiday season. Why should these bills not be left in the committee stage or in the third reading stage? There is not going to be any shooting up there between now and the middle of January. I thought it was the understanding we had, with respect to these bills,

that they would be left in such a condition that we could consider them when we come back.

Hon. Mr. Frost: I would say to the hon. member that I am quite content to do that, with the exception of the bill in relation to The Liquor Control Act, because I do not want to leave some poor fellows languishing in the prisons of this province.

With the other matter there were these bills relating to The Department of Commerce and Development. If these were passed, of course, it would assist in bringing in the estimates of these departments under their new titles.

Now, I think, perhaps, it might be agreed in the House, in view of what has been done, that they could be brought in under these titles. We will let these bills stand and, in that case, sir, I would revert to item No. 15. I think that can be simplified very much.

THE LIQUOR CONTROL ACT

House in committee on Bill No. 9, An Act to amend the Liquor Control Act.

Hon. A. K. Roberts (Attorney-General): For the convenience of hon. members, Mr. Chairman, I have now had the amended bill reprinted. There were two distributions this morning. The first one was the amendment that is before the House, and the second one—just a few minutes ago—gives the bill as it would now appear if the amendment is carried in its final form. This I think reduces it to be a very simple one-sheet Bill No. 9.

Mr. A. F. Lawrence (St. George): I know I spoke on this matter yesterday but, in relation to a matter which I introduced into the House—namely, the matter of the hon. Attorney-General's committee on alcoholism—I feel that I neglected to bring further information to the hon. members of the House concerning that committee.

If you remember, sir, there had been an amendment to this bill moved by the hon. Attorney-General. At that time, I believe, Mr. Chairman, the hon. leader of the Opposition stood up and suggested that the amendment—and presumably the bill itself—be held over for further consideration. Also at that time, in some heat and anger, and completely unprepared, I stood up and started to make a few remarks about how, in my opinion, this was not a bit of hasty or ill-conceived legislation; that it had received a great deal of consideration from an advisory

committee to the hon. Attorney-General which, for reasons of brevity, has been called the Attorney-General's committee on alcoholism.

Later on, one of the other hon. members of the House objected that there perhaps should have been a representative on that committee from among the hon. members of the Opposition.

Mr. Chairman, I am sure you will recognize that is patently ridiculous. This committee is an advisory committee, on policy, to one of the hon. Ministers of the Crown. If there were representatives on that committee from the Opposition, presumably, when the policy of the government was then enunciated, that hon. member would have to take responsibility for the policy as then enunciated by the hon. Minister. You can see how binding and restrictive that would be on the Opposition itself or, for that matter, on any hon. member in the Opposition—whether the official Opposition or the other Opposition party.

I neglected, Mr. Chairman, to bring to the attention of the House the full membership of that committee, and I think it would be of interest to this House to learn what the make-up of that committee is.

First of all, we have the senior advisors of The Department of the Attorney-General. This is obvious, of course, because it is an advisory committee to the Attorney-General. We have two representatives of the probation services of The Department of the Attorney-General, as well as the supervisor of the probation officers' training, and Dr. Smith, the director of the Attorney-General's laboratory.

The Department of Health has two representatives, including the hon. Minister of Health (Mr. Dymond).

The Department of Public Welfare has two representatives, including the hon. Minister (Mr. Cecile). The other representative is a man from the rehabilitation service of The Department of Public Welfare.

The Department of Reform Institutions is represented on that committee, not only by the hon. Minister (Mr. Wardrope) and the executive assistant to the Deputy Minister, but also by the chief psychologist of the department services of that department.

The Department of Economics is represented on the committee, as well as the liquor control board, the liquor licence board, and the commissioner of the provincial police.

There are private citizens on that committee who are interested in this matter.

There is a representative of the magistrates' association of Ontario—Magistrate Tuchtie from Hamilton—an extremely well-known and well-qualified man in this field.

One of the best Crown attorneys in the province is also on that committee.

There are a number of representatives from the alcoholism research foundation, from the headquarters of the Salvation Army, from that very wonderful group the Harbour Light corps of the Salvation Army.

We have Dr. Gordon Bell of the Bell clinic, whom I would like to commend for doing work that is now becoming world famous, in this problem.

We have a representative of the medico-legal society, of the city of Toronto, which is made up of men in the medical profession and men in the legal profession who do a great deal of research work in problems such as this.

Then there is a representative of the school of social work of the University of Toronto, plus one from the Toronto and district labour council, Mr. Moses McKay, who is a very forceful man and certainly not backward in bringing his views and those of his group to the committee.

There are also a few other representatives from the magistrates of the province, and representatives of most of the churches. There is the chaplain of the Ontario mental hospital at Hamilton; Miss Phyllis Hazlan of the Elizabeth Fry society; Mr. Kirkpatrick of the John Howard society; and Mrs. Meek, secretary of the alcoholics anonymous.

The point I am trying to bring to the House at the moment, sir, is that this committee is a very representative committee and a very hard working one. It has gone into this Act in a very thorough and careful way, considered it very strongly and has made recommendations, as a result of which the government is now bringing this matter to this House.

The hon. member for York Centre (Mr. Singer) seems to have some "beef" about the power in this Act given to the magistrate; the aspect of this that I find inconceivable is that he knows, or should know, that the magistrates in this province have an even greater power, at the moment, to incarcerate people for a longer length of time than that asked for in this amendment.

He knows, or should know, that county court judges and supreme court judges also have the power to incarcerate people who have this disease, in both the mental hospitals of the province as well as private institu-

tions. Single men sitting on the bench already have this power.

This Act does not extend their power. As a matter of fact, it restricts it and limits it; and the hon. member's argument is totally fallacious in that regard.

The venerable and ancient hon. member of this assembly also brought an argument to the House that the House could not have given proper consideration to this amendment.

Mr. Nixon: May I ask, Mr. Chairman, who that ancient member of the House is? Who is the ancient member he was referring to?

Mr. Lawrence: I was referring to the hon. member for Brant.

Mr. Nixon: I rather suspected he was.

Mr. Lawrence: If the hon. member takes offence at that I wish to withdraw it. I will change it to "a long-standing member of this House." I am sorry.

Mr. D. C. MacDonald (York South): A long-sitting member.

Hon. Mr. Frost: His hair is hardly any whiter than mine.

Mr. Lawrence: In any event, that hon. member should have known better if he had been paying attention to the debate, because the amendment was brought into this House as a result—

Mr. J. J. Wintermeyer (Leader of the Opposition): The amendment was just brought in an hour ago.

Mr. Lawrence: The amendment was not brought in an hour ago. The amendment was brought in yesterday as a result of the representations to this House by an hon. member of his own party.

An hon. member: If he did not know who amended it, he should have known it.

Mr. Lawrence: That is wrong, totally wrong. It was brought in yesterday.

Mr. Wintermeyer: The hon. member is not acting very honourably.

Mr. Nixon: Does the hon. member not pay attention to what is put on the list?

Mr. Lawrence: I am angry about this because I cannot see any point in the contradictory, inane representations brought forward by these hon. members over here. I appeal to the hon. leader of the Opposition

to have some control over some of these hon. members sitting beside him and behind him—

Mr. K. Bryden (Woodbine): Take it easy.

Mr. MacDonald: The hon. member for St. George is acting as if he is in a class of melodrama.

Mr. Lawrence: If the hon. leader of the Opposition is able to stand up and belabour the government for bringing in this matter too late, or because it was too little, I might even agree with him. Instead, hon. members behind him and beside him have been belabouring the government for that point, and as well he stands up and now asks the government to withdraw it or hold it.

This is totally senseless, totally senseless! I think his position is completely indefensible.

Mr. Chairman, I would urge the House, I would plead with the hon. leader of the Opposition, to let this go through. If he wants to oppose the considered opinion of some of the best experts in this province, let him talk this matter out or oppose it. If he wants to oppose the Harbour Light corps of the Salvation Army, let him talk this matter out or oppose it; if he wants to oppose the alcoholics anonymous, then let him talk the matter out or oppose it; if he wants to oppose the John Howard society, the Elizabeth Fry society, let him oppose the matter or talk it out. If he wants to play politics with the sick souls and minds of people in this province, then let him talk the matter out or oppose it!

Hon. Mr. Frost: Mr. Chairman, may I pour a little oil on the troubled water here?

Interjections by hon. members.

Hon. Mr. Frost: I would like to say this, sir. We are in a situation resembling the great pipeline debate in Ottawa. We are up against a deadline, only I am a little more flexible than that.

According to the rules we adjourn at one o'clock. That is the rule, and the Honourable the Lieutenant-Governor (Mr. Mackay) awaits to give assent to certain bills and I have to get them almost immediately. If my hon. friends are going to object to the passage, of course, they can do that. And I will be like the fellow who was going to be hanged; I will co-operate with the inevitable, you understand, and I will adjourn the debate right now. I will ask somebody to adjourn it.

May I say this, sir? We discussed this yesterday. It does not profess to cover anything like the whole field, but it is a step in the right direction. Frankly, I hesitate to dis-

appoint these Harbour Light and other people, who have taken a very great interest in this matter. I hesitate to do anything that is going to leave a person whom I count as sick—an alcoholic—in jail one minute more than necessary. I would like to get them out—

Mr. Nixon: But where would the hon. Prime Minister put them?

Hon. Mr. Frost: Leave that to me.

Mr. Nixon: Where is the institution in which they are going to be placed?

Interjections by hon. members.

An hon. member: Where is the hon. Prime Minister going to put them? We are at least entitled to know that.

Hon. Mr. Frost: Now, I do not know. These are problems. This is the way I look at this. I think that such a person is a sick person. We have across this province a great system of hospitals devoted to nervous disorders and the like, and I think we can very easily make arrangements concerning these poor people who are presently languishing in jail.

Rather than send some poor sufferer to a jail for 3 months or 6 months, or something of the sort, I think we can put him in the position where he will get treatment in hospital.

I admit that this is experimental. I gave consideration to it with the hon. Attorney-General, and with my hon. colleagues here, before the matter came up in the House. We admit that this is pioneering in a difficult and unknown area. I will undertake with the hon. members of the House to try to make as much progress as possible and to give the House the fullest of reports as to what is determined and what is decided upon by our advisors.

This is a step to control alcoholism and drug addiction and I think I have already made the proposal to my hon. friends to let this go through, since we admit the fact that it is experimental. It will encourage the people engaged in this work; it is the right step I think at this time of year. I think we can waive all technicalities and get it done, and I promise my hon. friends that we will give them a fuller report on what we are able to recommend in the course of the next two months.

Mr. MacDonald: Well, Mr. Chairman, I just want to say as far as our group is concerned we are willing to support the government on this now.

This argument that we do not have all the facilities at the moment does not impress me, because 10 years ago this government argued, for example, they could not put in hospital insurance because they did not have enough beds and 10 years later they had no more beds per thousand but they put it into effect; this was just an excuse.

Hon. Mr. Frost: I do not admit that.

An hon. member: Well, the hon. Prime Minister should.

Mr. MacDonald: All I am saying is that I think if this legislation is passed, we will create a set of circumstances which will put on the pressure for providing the facilities and we will get them all the more quickly. If we do not pass the legislation, a year from now we still will not have the facilities. This is going to put the government on the spot to get the facilities. That is why I want the legislation passed now.

Hon. Mr. Frost: We are glad to be put on the spot; in this case, we are putting ourselves right there.

Mr. Nixon: Mr. Chairman, the hon. Prime Minister cannot blame the Opposition because he is up against a deadline. So when I got on my feet last night to make some comment about the way he is trying to put legislation through this House he accused me of filibustering. Now I had not taken 10 minutes of the time of this House since it started. Yet I am accused of filibustering the minute I stand on my feet when the hon. member for St. George filibustered not only yesterday afternoon but this morning again, so that no other hon. member gets a chance to make any statement. The hon. member goes into great detail at great length as to who makes up this Attorney-General's committee on alcoholism. Why, I did not hear him mention the hon. member for Dufferin-Simcoe (Mr. Downer)—

Mr. Wintermeyer: Exactly!

Mr. Nixon: —when I would have thought he would have been the first one mentioned. I think the hon. member for Dufferin-Simcoe is the hon. member above all others on that side of the House, in view of his responsibility, who would direct comment to the House on this important legislation.

My main complaint—I am not opposed to the legislation—my main complaint is the manner in which the hon. Prime Minister is getting it through the House—

Mr. Wintermeyer: Exactly!

Mr. Nixon: Now, we have Bill No. 9 introduced to this House. It was sent to the committee on legal bills, it came back to the House and the hon. Attorney-General at once started to make amendments in the bill. If hon. members will look at the bill that is before us now and the one that was distributed just one hour ago—the second one, not the first one—I would say that any similarity between the present bill and the one that was introduced into the House was purely coincidental.

Hon. Mr. Frost: No, no!

Mr. Nixon: In my 42 years in this House I have never known a bill—an important bill—to be placed before the hon. members that was so ill-considered, ill-drafted, ill-prepared, that it has to be amended *in toto*, completely mutilated. There is nothing of the original left—not even the day on which it comes into effect—

Hon. Mr. Frost: Oh, yes there is. We studied it for hours.

Mr. Nixon: They now have to make it come into effect by proclamation, not even by Royal assent. And I protest.

I am not opposed to the principle of the legislation, naturally, but I say that this House is entitled to a lot more information about these institutions that are going to be approved for the treatment of these people.

I say that to bring in these extensive amendments that we have before us, placed on the table this morning, is not giving fair and courteous attention to the hon. members and to their rights in this Legislature.

Hon. Mr. Frost: I would point out to my hon. friend I think his indictment is really unfair.

Mr. Nixon: Will the hon. Prime Minister withdraw that I was filibustering?

Hon. Mr. Frost: Absolutely.

Mr. Nixon: Well, that helps.

Hon. Mr. Frost: I wish the hon. member a merry Christmas.

May I say this: I guess I am to blame for what happened.

An hon. member: I can believe that.

Hon. Mr. Frost: Well, that is a fact. Let me put it in perspective—this is what happened.

This bill was introduced on the second day of the session; it went through its various stages and went to the committee on legal bills. There the hon. member for Bracondale (Mr. Gould) raised certain objections in committee. But the committee overruled the objections and the bill was reported in its original form.

I point out to the hon. member opposite that when I heard the hon. member for Bracondale, I thought there was merit in what he said. And I may say that, while I am guilty of the errors which I now acknowledge, nevertheless I was endeavouring to take the part of the underdog—that is, the hon. member for Bracondale.

I would say that, as a result, those amendments were made, but they really do not change the fundamental purpose of the amendment. In the case of a first offender, he might be fined \$10; but the magistrate, in his discretion, might also send him to an institution for 6 months. I thought, myself, that that might be the cause of hardship in some cases, and therefore I did support—opposed to the committee's original decision—his amendment. The result was that it was changed back to be a third offence.

That is all there is to it; and I think we ought to let it go through, and see what can be done. I make all apologies to him for inferring in any way that there was a filibuster, and I would say I have never known the hon. member to engage in anything of the sort. As a matter of fact, his contributions to this House are always very worthy.

With that, and with the acknowledgment of my errors of commission and omission, perhaps you will allow the bill to go through.

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Chairman, I had no intention of taking part in this debate, because in my opinion this bill is just enabling legislation to take the first step in a series of steps that we must take if we are going to deal with this perplexing and difficult problem in the province.

Now this is no time for acrimonious debate—not just because it is just before Christmas, but because this is not a political problem. I would like the hon. members to think about those words: this is not a political problem. If the hon. members were over on this side the problem would be just as serious, just as great as it is today. If the Liberals or CCF were over here, the problem would still exist. It is a common problem for every single citizen in the province of Ontario, and we have to do something about it.

If we think that nothing can be done, if

we say that it is impossible to do anything, then we are beaten before we start.

I have gone to the Hartford clinic, I have learned quite a number of things, and I can say that in this province we are neither ahead nor behind any jurisdiction on the North American continent. We have good men—excellent men—in our alcoholism research foundation.

Dr. Bell and Dr. Archibald are leading men in this field in this continent—lecturers at the Yale school of alcoholism—and these men are recommending the very thing that we are bringing in in this bill today. That is why I have gone along with it.

I have a great number of suggestions and a great number of recommendations to make, but that can be left; and there will be full debates upon these recommendations, and full debates upon those suggestions after the House reconvenes.

I personally feel that, since this is not a political problem, we could very well ask the hon. members of the Opposition, perhaps not to the Attorney-General's committee where we are formulating policy, but to join with us and let us see what can be done to overcome this difficult problem.

I am not going to say any more except that, when I was overseas in 1943, I happened to visit an art gallery in Naples, and there I saw a great painting. At the top there was the figure of a man who represented government; and underneath his figure were written the words: "I rule."

On one side there was a soldier and underneath him were written the words: "I protect." On the other side was a minister or a priest, and underneath that figure were written these words: "I persuade." At the bottom there was a teacher, with the words: "I teach."

And then, down in the corner, there was a little painting of the devil with these words: "If any of you fail, I take over."

Mr. Chairman, that is the situation; that painting depicts the picture as we have it in our province. We have to deal with these things. Therefore I ask the hon. members opposite to go along and let us have the first step. It may be a faltering step and a halting step, but let us take the first step.

Mr. Wintermeyer: Mr. Chairman, after listening to the hon. member for Dufferin-Simcoe I feel a lot better about this matter personally. I very much agree with the hon. member for Brant. Our objection was not one in principle, but one of the method by which

this particular bill proceeded through this House. And secondly, I would say this, that I am not at all in agreement with the hon. member for St. George that this is a medical problem. This is a moral problem.

There are those who think we are going to cure this problem by putting people in institutions and treating them medically only; this will be a false start at this stage in my opinion. We have to do something—I could not agree more with the hon. member for Dufferin-Simcoe.

I am glad of the wisdom and prudence and human knowledge which will be exercised. All that we ask is to be given an opportunity after Christmas to participate in this discussion.

Mr. Chairman, under those circumstances, it is a pleasure for me to tell you that we are quite prepared to support the bill.

Bill No. 9 reported.

Hon. Mr. Frost moves that the committee rise and report one bill with amendment, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report one bill with amendment and asks for leave to sit again.

Report agreed to.

THIRD READING

The following bill was given third reading, upon motion:

Bill No. 9, An Act to amend The Liquor Control Act.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, at this moment might I explain the procedure—which is unusual. It is necessary, sir, at this time, for the Honourable the Lieutenant-Governor (Mr. Mackay) to come in to give assent to certain bills, and on his leaving the chamber the House is still in session, and the motion for adjournment will follow that.

It is not in the form of a prorogation, Mr. Speaker. I just give that as a matter to remind you. I would ask your permission to accompany his Honour to the chamber.

The Honourable the Lieutenant-Governor entered the chamber of the legislative assembly and took his seat upon the Throne.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed several bills to which, in the name and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

Clerk of the House: The following are the titles of the bills to which Your Honour's assent is prayed:

An Act respecting Eno-Scott and Bowne (Brazil) Limited.

An Act respecting Pickering College.

An Act respecting the Royal Ottawa sanatorium.

An Act respecting the synod of Toronto and Kingston Glen Mhor camp.

An Act to amend The Regulations Revision Act, 1959.

An Act to amend The Absentees Act.

An Act to amend The Credit Unions Act, 1953.

An Act to amend The Devolution of Estates Act.

An Act to amend The Fire Marshals Act.

An Act to amend The Hotel Fire Safety Act.

An Act to amend The Lightning Rods Act.

An Act to amend The Law Society Act.

An Act to amend The Liquor Control Act.

An Act to amend The Trustee Act.

An Act to amend The Legislative Assembly Act.

To these Acts the Royal assent was announced by the clerk of the legislative assembly in the following words:

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these bills.

The Honourable the Lieutenant-Governor was pleased to retire from the chamber.

Hon. Mr. Frost: Mr. Speaker, I move, seconded by hon. J. N. Allan:

That when this House adjourns the present day's sitting thereof, it do stand adjourned until a day to be named by the Lieutenant-Governor in council; also, that the select committee on administrative and executive problems of government, automobile insurance and land expropriation procedures be authorized to sit during the adjournment and that the provisions of section 64 of The Legislative Assembly Act RSO 1950, chapter

202 shall apply to members attending meetings of such committees held during the adjournment.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before you put the question, may I ask the hon. Prime Minister if he has any further knowledge now as to when it is anticipated the House will re-assemble?

Hon. Mr. Frost: I will be very glad to. May I explain this motion? The last portion relates to this, that if there are meetings of these committees, the allowances and travelling expenses which might apply in the ordinary case would not apply. The effect of the motion is to allow the committees to sit and to compensate the hon. members as they should be compensated if there are sittings during that period.

For the second point I would say this, in the procedures we are adopting, that is a fall session, I think next year it would be very easy to set a definite date for the reassembly of the House. The difficulty, of course, this year lies with the fact that this was a new procedure. We are faced with trying to fit the budget and budget rearrangement into the new procedure.

In the ordinary course of a session, we have found it in recent years most acceptable and agreeable to meet around the end of January. I had looked at January 23.

On the other hand, as you can see, sir, if we set January 23 as the date and we bring the hon. members here, we may have them here a week or so early, then it means that, in the organization of the House—I should not say time is wasted by any means, but nevertheless it does not lead to the orderly dispatch of business.

I feel that January 23 would be the earliest date, but I would say that we will give the earliest intimation possible in relation to that.

I feel it is a matter of public interest and concern, and I would like to have at least

some finality in relation to the federal-provincial conference which is presently in being. I have no doubt the other Premiers feel the same way about it. I intend to try to clarify that situation if I can in the next few days and it is in relation to those things and matters of the budget that we have to meet with some uncertainty at this time.

Mr. Wintermeyer: Mr. Speaker, I want to assure the hon. Prime Minister that we are all appreciative of his problem, and I think he is very fair in the explanation he has made. The concern I had basically was for those members of the Legislature—and I happen not to be one of them—who, as I understand, want to make plans. I take from what has been said today that they could make plans to be absent until the latter part of the month.

Hon. Mr. Frost: That is right.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, I say that this is the first opportunity in my membership in this House—and indeed I think for many other hon. members here—that I have ever had the opportunity of wishing all the hon. members a merry Christmas and a happy New Year. I sincerely hope this holiday season will be a happy one, I hope that all of the hon. members and their families may enjoy good health and happiness.

I will not here issue my forecast for 1961, but I will say that I look to the future of this country with confidence, and that will be the core of what I say when the time comes to issue that statement.

Sir, with that, unless there are others here who desire to add anything, I would move the adjournment of the House.

Motion agreed to.

The House adjourned at 1.15 p.m. until the date to be named by the Lieutenant-Governor in council.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, January 24, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JANUARY 24, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, might I ask you to change the order of proceedings today to permit me to move a motion in relation to private bills that the clerk of the House assures me is necessary in order to facilitate the consideration of private bills?

Hon. Mr. Frost moves, seconded by hon. J. N. Allan, that no penalties be imposed on private bills filed with the clerk of the House up to and including yesterday, January 23. Also, that the time for receiving petitions be extended to Monday, January 30; the time for introducing private bills be extended to Monday, February 6, and the time for receiving reports from committees on private bills be extended to Monday, February 20.

Hon. Mr. Frost: That motion enables the clerk to place before the House the next order of business, certain petitions.

Motion agreed to.

Mr. Speaker: I beg to inform the House that the clerk has received the report from the commissioners of estate bills.

Clerk of the House: The report of the commissioners of estate bills with reference to Bill No. Pr20, An Act to establish Reuben Edwin Cleghorn foundation:

THE SUPREME COURT OF ONTARIO
THE HONOURABLE THE CHIEF JUSTICE OF ONTARIO
THE HONOURABLE MR. JUSTICE MORDEN

Osgoode Hall Toronto 1,
January 4, 1961

RODERICK LEWIS, ESQ., Q.C.,
CLERK OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

DEAR SIR:

Re: Private Bill No. Pr20, An Act to establish Reuben Edwin Cleghorn foundation.

The undersigned, as commissioners of estate bills as provided by The Legislative Assembly Act, RSO, 1950, chapter 202, section 57, having had the said bill referred to us as such commissioners, now beg to report thereon.

We have heard representatives of the petitioner in support of this bill.

It appears from the petition filed herewith and from the information discussed on the hearing before us that a certain amendment is advisable to clarify the bill and to assure that the purpose of the petitioner is carried into effect by the bill.

We therefore propose that clause 6 of the bill be amended to read as follows:

The moneys of the foundation shall be disbursed from time to time in the form of scholarships and bursaries.

We are of the opinion that the provisions of the bill as amended are proper for carrying its purpose into effect and that it is reasonable that such bill be passed into law.

The bill, duly signed by the commissioners, and the copy of the petition for the same are accordingly returned herewith.

Yours very truly,

(signed)

Commissioners of estate bills.
DANA PORTER, CJO.
K. G. MORDEN, JA.

It was ordered that the bill, together with the report of the commissioners of estate bills thereon, be referred to the standing committee on private bills.

Mr. Speaker: Reading and receiving petitions.

Clerk of the House: The following petitions were brought up, laid on the table, read and received:

Of the corporation of the Young Women's Christian Association of Canada praying that an Act may pass exempting certain lands from taxation except for local improvement rates.

Of the Roman Catholic separate school board of the town of Mattawa praying that an Act may pass authorizing it to expend certain funds previously raised by debenture issue on certain specified school additions.

Of the university of Ottawa, praying that an Act may pass authorizing the appointment of the officers of the council of each faculty by the council of administration.

Of the town of Burlington, praying that an Act may pass authorizing grants to various institutions, associations or persons and for other purposes.

Of the corporation of the city of Belleville praying that an Act may pass authorizing the Belleville transit commission to operate an exclusive bus system in the city.

Of the corporation of the Ontario Ladies'

College praying that an Act may pass continuing the college as a corporation without share capital and for related purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

REGULATION, INSPECTION AND LICENSING OF HOISTS

Hon. C. Daley moves first reading of bill intituled, "An Act to provide for the regulation, inspection and licensing of hoists used during the construction, alteration, maintenance or demolition of buildings, structures and other works."

Motion agreed to; first reading of the bill.

THE FOREST FIRES PREVENTION ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Forest Fires Prevention Act."

Motion agreed to; first reading of the bill.

UNQUALIFIED PERSONS USING HYPNOSIS

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to protect the public from the use of hypnosis by unqualified persons."

Motion agreed to; first reading of the bill.

THE ONTARIO NORTHLAND TRANSPORTATION COMMISSION ACT

Hon. W. M. Nickle moves first reading of bill intituled, "An Act to amend The Ontario Northland Transportation Commission Act."

Motion agreed to; first reading of the bill.

THE RESEARCH FOUNDATIONS ACT, 1944

Hon. Mr. Nickle moves first reading of bill intituled, "An Act to amend The Research Foundations Act, 1944."

Motion agreed to; first reading of the bill.

BILLS OF SALE AND CHATTEL MORTGAGES ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Bills of Sale and Chattel Mortgages Act."

Motion agreed to; first reading of the bill.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The County Judges Act."

Motion agreed to; first reading of the bill.

He said: We will soon know, Mr. Speaker, after the cold winter spell, whether our hon. friends opposite are frozen in or not. No one has asked any questions so far.

I might at least follow the practice that has been established in saying something about this bill. The import of this bill is to provide for two additional judges for the county and district courts of the province. They would be judges for use wherever they are required under the provisions of the Act. They might, eventually, have to be nominated to a particular spot in order to get their patent, but it is understood they would be used as required and where required.

THE EVIDENCE ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Evidence Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I might say that in order to supplement the shortage of court reporters in the various courts in the province at the present time, and in acknowledgment of perhaps more efficient, and, certainly, a faster system of recording evidence and getting it made available later, this amendment to The Evidence Act is proposed to allow the use of sound recording devices to record court proceedings.

One method which may be used is the Stenomask. This device was successfully demonstrated to the select committee on administrative and executive problems of government and has also been demonstrated to the Canadian bar association under actual courtroom conditions at their last annual meeting.

THE CORONERS ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Coroners Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this is a redrawing after a very considerable amount of time and study, practical experiment in the field, so to speak, of this problem of coroners.

The bill does a number of things.

It removes, if I may use this phraseology, the domination of the Crown attorneys, but recognizes essential control through the supervising coroner, and by providing for an executive officer in the field to do a number of things; to help and advise and work liaison amongst the coroners, the Crown attorneys, county treasurers, pathologists and the undertakers.

Coroners will be trained under this bill on a 3-day course in law and procedure, modern pathology and modern scientific crime detection. They will be required to handle an inquest efficiently and to get constructive findings. To attain that, we feel that the coroners should be trained satisfactorily.

Ultimately, a smaller body of coroners would appear to be desirable. While this bill does not make any drastic provisions in connection with dealing with individuals or with people already appointed, the policy would be that further appointments where vacancies occur be made only where real need is indicated and that more work would be put on fewer coroners with more responsibility.

The C schedule is revised and is, I think, in a form now that should be more satisfactory to all concerned.

Mr. Speaker: Orders of the day.

Hon. W. K. Warrender (Minister of Municipal Affairs): Before the orders of the day, I should like to say a few words on the unemployment situation in Ontario. You will recall that last year during the fall meeting, I did give a statement concerning employment in Ontario. At this time I should like to broaden that statement and also bring it up to date.

Mr. Speaker, in recent months we have become increasingly aware of the changing economic nature of our country. No longer are we as free to produce and sell goods in the world market as we did in the decade or so following World War II. Other countries, torn up and disorganized by the war, have now been completely reorganized and contain many of the most efficient and productive factories in the world. In fact, as the hon. Prime Minister (Mr. Frost) mentioned last spring, some of these firms now "find it possible to produce many lines in competition with Canadian goods, pay the transportation charges involved and still lay down their products in Canada at a price competitive with Canadian producers."

The striking progress of the European economic bloc has attested to this new

efficiency. It has not been easy for them. Many sacrifices have been involved and many are still to be made. But they are succeeding.

Here, in North America, and Ontario in particular, we have some of the most up-to-date, modern methods of production ever designed. We have the ability to compete in the world market and these new forces must be regarded as a challenge—a whetstone to sharpen our competitive efficiency.

Years of progress are behind us now, more years are before us. The shape of those years will depend on what we do now. New and growing economies have an ever-expanding demand for supplies and resources, and we in Ontario possess them in abundance. We must be prepared to make them available and attractive.

The problems of automation are many, and not the least is unemployment. Nevertheless, mechanization and automation have already proven their value to efficient production and must therefore be encouraged. But with change there is reorganization, and reorganization affects employment.

If we are to advance, adjustments are inevitable. The retraining of workers and the development of new skills will be involved. In North America we are proud of our ability to adjust in the ways in which we feel best. We have surmounted these problems in the past and we will do so in the future.

Here in Ontario the government has always fostered sound business growth and has done its utmost to make the periods of adjustment more palatable. Programmes have been designed by the government, not only to maintain as high a level of employment as possible, but also to relieve the hardships of unemployment. Over the years, many built-in economic stabilizers have been introduced, including unemployment insurance, unemployment relief, old age pensions, mothers' allowances, family allowances and hospital insurance. All of these have helped to maintain living standards during times of stress.

In 1958, the Ontario government pioneered another programme designed to provide jobs rather than relief during the winter time when unemployment reaches a peak. At that time, the province agreed to pay to the municipalities 70 per cent of the direct labour costs on projects undertaken in their jurisdictions between February 15, 1958 and May 31, 1958.

Since then the programme has been greatly expanded. The federal government has joined the province and contributes 50 per cent of the direct labour costs along with 25

per cent from the province, on any approved works not normally undertaken during the winter, and the scope of the programme was broadened considerably.

For the previous two winters it ran from December 1 to April 30 the following spring, and in each case was further extended to May 31.

This year the programme has been broadened still further. On August 15, 1960, my department informed Ontario municipalities that the province would be participating in a municipal winter works incentive programme for the coming winter. They were advised that the federal and provincial governments would contribute to the payroll cost of approved municipal projects carried out during the period December 1, 1960 to April 30, 1961. On September 9, Ontario municipalities were advised that the date of this cost-sharing was advanced from December 1, 1960 to October 15, 1960. Ontario contributes 25 per cent and the federal government contributes 50 per cent of the payroll costs except of new municipal buildings, to which I will refer later.

The plan is designed to cover works that would not otherwise be carried out during the winter, thereby creating more work. The plan is doing exactly this.

This year the scope of the programme has been broadened considerably. The first major extension includes the construction, major reconstruction, major alteration or renovation of municipal buildings, not including schools or hospitals, provided that the federal incentive payment on new structures does not exceed \$50,000 on each such structure. In keeping with this maximum imposed by the federal authorities, the province's contribution in the instance of new structures cannot exceed a maximum of \$25,000.

Where major alterations or renovations or the major reconstruction of existing municipal buildings are undertaken, the regular contribution of 50 per cent by the federal government and 25 per cent by the provincial government applies.

The programme has also been broadened to include some projects which were previously excluded by the federal authorities. These include street lighting, traffic signals, municipal parking lots, water and sewage treatment plants, pumping stations and water towers.

Early in November, the federal government extended the programme to include projects involving work on municipal golf courses and municipal cemeteries, excluding, of course, regular maintenance work, and the municipi-

palities were advised of this extension on November 9.

As of January 18—some 14 weeks after the commencement date of the programme—1,273 applications have been approved and accepted, indicating therein that 16,883 men will be employed, with an estimated total of 876,527 man-days. The estimated total cost of the projects is \$54,781,296 and the total payroll cost during the period is \$13,971,178, with assistance being paid to the municipalities by the federal and provincial governments in the amounts of \$6,929,588 and \$3,466,241 respectively.

These figures indicate a tremendous increase over the first 14-week period of the 1959-1960 municipal winter works incentive programme. As of March 9, 1960, some 623 applications had been approved and accepted under that programme and indicated 8,973 men would be employed and that the total number of man-days would be 491,582. The estimated total cost of the projects was \$25,051,554 and the direct payroll cost for the period \$6,545,347. At that time the estimated cost to the federal and provincial governments was \$3,272,662 and \$1,636,311 respectively.

The comparison, however, does not end here. On May 11, 1960, the 760 applications, under last year's programme which had been approved and accepted indicated 11,055 men would be employed with an estimated total of 538,762 man-days. The estimated total cost of the projects to be undertaken was \$28,329,896, and the estimated total payroll cost during the period was \$7,256,055 with assistance being paid to the municipalities by federal and provincial governments in the amounts of \$3,628,014 and \$1,813,932 respectively.

In other words, comparing the approved and accepted 760 applications received during all of last year's programme with those approved and accepted on January 18 of this year—a 68 per cent increase—an estimated 5,828 more men will be given employment—a 53 per cent increase. The total man-days of work has increased by 337,765—which amounts to 63 per cent. The municipalities are undertaking needed projects. This is evident as the estimated total cost of these projects has increased 93 per cent. Payroll costs are up 93 per cent, while federal and provincial assistance under this programme will increase 91 per cent. Truly this is an impressive comparison.

It will be seen from these figures that the municipalities have initiated works under this programme with the assistance of federal

and provincial funds and that the 3 jurisdictions are thereby affording job opportunities. I would add that applications are being received daily by my department, evidencing the continued interest of our municipalities and indicating that this programme continues to meet the purpose for which it was designed—namely, to provide job opportunities and employment.

In addition to the municipal winter works employment programme, the province carries on many other operations during the winter time which enhance job opportunities. Some of these are in conjunction with the federal government, and others are carried on by the province alone at extra expense if necessary.

The federal-provincial programme includes the construction of campgrounds and picnic areas throughout the entire province between November 1 and May 31 of the following spring. The federal government provides 50 per cent of the expenditures on construction, and labour costs must constitute half of them. This programme involves work by The Department of Highways, The Department of Lands and Forests and the Ontario-St. Lawrence development commission and is expected to cost about \$1 million. As a result of this work an additional 1,000 men are being employed during the winter period.

Most important, however, is the maintenance of employment in Ontario by the province, the municipalities and the various provincial and municipal agencies. At the present time it is estimated that about \$1 billion is again being spent by these various institutions and that roughly 235,000 on-site and off-site jobs are being provided as a result.

If the permanent force of approximately 32,000 provincial civil servants and 15,000 casuals be added, along with the many thousands employed on the campgrounds-picnic area programme, the numerous other projects carried on by the province especially to provide jobs during the winter, and the 17,000 men employed by the federal-provincial-municipal winter works programme, we get a grand total of nearly 310,000 jobs.

But this may not be all. As you have heard, Mr. Speaker, additional applications for the federal-provincial-municipal winter works programme come into my department every day. It is quite possible that another 10,000 jobs may be generated before the programme is over.

In addition, many of our field men report that a great deal of extra work can be carried

on this winter as a result of the favourable weather conditions so far. Of particular significance, too, are the huge \$38 million Metropolitan Toronto and region conservation authority project and the \$134 million sewage treatment plan that could be started once agreement is reached with the federal government.

Let me for a moment describe to the House some of the special projects which are being carried on by the province to provide work at this time.

Interjections by hon. members.

Hon. Mr. Warrender: Mr. Speaker, I think these hon. members would rather speak about unemployment than hear these figures about employment.

You will recall, Mr. Speaker, at the opening of the session last fall, the hon. leader of the Opposition (Mr. Wintermeyer) got up and said: "This is a great national emergency, we want to discuss unemployment." The way he would have worked it, 10 minutes only would have been provided by his party and 10 minutes by ours in order to discuss this.

Mr. J. J. Wintermeyer (Leader of the Opposition): We have a few questions for the hon. Minister.

Hon. Mr. Warrender: So here we are trying to give the full story and apparently they do not want to hear it.

Mr. D. C. MacDonald (York South): Mr. Speaker, I rise on a point of order. There is on the order paper now a motion to deal with the question of unemployment. The hon. Minister is getting up and making a statement which really should have been made in this debate on unemployment so that those of us on this side of the House would have an opportunity to debate it.

Now, Mr. Speaker, could I have your ruling as to whether this is in order? I ask because I submit he should be speaking on a resolution which is on the order paper now so that the House can discuss the issue rather than the hon. Minister just handing out some doodling figures, instead of providing jobs.

Mr. Speaker: I accept this as a statement before the orders of the day in the usual course of procedure.

Hon. Mr. Warrender: Mr. Speaker, I did say in my opening remarks that not only was I bringing this statement up to date, but I was also expanding it from the one I made last fall. The hon. members opposite do not

want to hear all these wonderful figures, they just want to hear about unemployment.

The Department of Highways is at present engaged on picnic site development under the federal-provincial campground-picnic area programme in 16 districts throughout the province, estimated to cost \$137,150. They are engaged in pre-contract projects of a clearing nature in 11 districts costing \$522,955, and have let out contracts in 15 districts costing \$2,326,977. This is a grand total of nearly \$3 million for the winter period. As of December 31, 1960, a total of 1,502 men were being employed. This was an increase of 700 more men than were employed one month earlier.

The foregoing does not take into account the department's capital construction programme for 1961-1962. The department proposes to carry out works approaching \$150 million. This figure includes work on highway No. 401, the trans-Canada highway and many roads and structures throughout the province.

Of great concern to northern Ontario are the mining access and resource roads. At the present time, expenditure exceeding \$400,000 is also being made on this type of work. Included is further construction on the Foleyet-Chapleau road, Savant Lake and Minaki roads and others.

This work will not, however, be confined to the winter. As soon as weather permits, contracts totalling almost \$2 million will be let for the grading and surfacing of many of the mining access and resource roads currently under way.

The Department of Lands and Forests is at present working on projects under the federal-provincial campground-picnic area programme in 56 different parks throughout the entire province. The total cost of these projects is approximately \$800,000. In addition, the parks or recreational programme for the fiscal year 1961-1962 is indeed a sizeable one.

As well as providing increased recreation facilities for the people of Ontario, it will give considerable work from early spring until fall.

It is estimated that \$2.2 million will be spent in the coming year for park improvements. This includes the acquisition of land, construction of buildings and site improvement. This work is an integral part of Ontario's broad programme in conservation.

In this vein, it should be pointed out that the Ontario parks integration board is currently reviewing Ontario's park policy and it is conceivable that, as a result of this

review, a goodly portion of the \$2.2 million will be spent in the parks of this province lying south of North Bay. If parks are to meet the needs of the people, they should be located in the more densely populated areas.

The Department of Lands and Forests also plans to participate actively in the recently announced forest access roads programme.

Under the provisions of The Canada Forestry Act, the federal government has offered financial assistance to the provinces to the extent of \$5 million for the construction of forest access roads and trails. The main points of the offer are:

1. Period will be from December 1, 1960 to November 30, 1961;

2. The federal government will pay 50 per cent of the costs of approved road construction programmes throughout the year without regard to the labour content of such costs;

3. Ontario's share is limited to \$940,944. Thus we would be required to match this amount;

4. Federal inspection of the work performed is required prior to payment of claim;

5. Forest access roads are defined as those required for the protection and management of forest lands or the transportation of forest products removed therefrom;

6. The programme may include the improvements to existing forest access roads.

Under the federal-provincial campground-picnic area construction programme the Ontario-St. Lawrence development commission is at present engaged on projects costing \$328,650 in 11 different parks under its jurisdiction. The work includes the construction of lavatory buildings, general clean up and brush removal in all areas, the construction of the entrance building in the main park, tree removal and trimming, and the installation of rip-rap and general shore protection measures. At December 31, 1960 expenditures totalling some \$40,000 had been made under this programme.

I should also mention that Upper Canada village, the showpiece of this park system, will be 85 per cent complete and officially opened in July, 1961. It is anticipated that this event will bring many thousands of people to the St. Lawrence area who will assist the local communities greatly through the goods and services that they purchase during their visit.

Consideration should also be given to the fact that during the construction of this park system, the Ontario-St. Lawrence development commission has been one of the

largest employers in the area. This condition will continue, as a parks system of this size requires a large number of men for maintenance, supervision, administration and further construction. Certainly over the long run, the St. Lawrence park system and Upper Canada village will be of considerable economic benefit to the St. Lawrence valley.

Brief reference should be made here to the recreational aspect of the commission's work. Parks, including picnic areas, beaches, campsites, and so on, are now being made available for the use of our people from Kingston to the Quebec border. At the same time, these facilities will be available to the nomadic tourist from both sides of the border and those from our neighbouring provinces. This is another phase of Ontario's broad park programme that is rapidly becoming the best on the continent.

At the present time, 12 conservation authorities have 22 projects under way within the federal-provincial-municipal winter works programme and are estimated to cost \$1,089,450. The work includes the construction of roads, the building of picnic tables, fencing, the construction of multiple service buildings to include washrooms, change houses and sanitary facilities in parks and the thinning, clearing, and general clean up of woodlands and reforestation areas. It is estimated this work will provide 28,241 man-days of work.

Important agreements have also just been reached with the federal government on two large projects—the \$1 million Parkhill dam on the Ausable river, and the \$10 million flood control scheme on the Thames river. The Thames river scheme will consist of 8 sub-projects including the construction of 5 dams, two near St. Mary's, two near Woodstock, and one near Thamesford, and 3 major channel improvement projects on the upper Thames.

Work will be started immediately on more than 3 miles of channel improvement at St. Mary's, Mitchell and Woodstock and is expected to be completed this year.

The Ontario government will pay 37.5 per cent of the costs, the federal government 37.5 per cent and the authorities 25 per cent.

The 5 dams on the Thames river will not only provide reservoirs with a storage capacity of about 110,000 acre-feet of water, but will also serve as permanent lakes for camping, boating, fishing, and other recreational activities.

Perhaps of even greater significance is the fact that the flood control scheme of the Metropolitan Toronto and region conservation authority, which has been approved by the

Ontario government, is reaching the agreement stage with the federal government and it is hoped that work on it will be started soon. The programme involves the construction of 15 dams and the creation of 10 new recreation areas extending over 2,500 acres. The whole programme is expected to take 10 years to complete and will cost about \$38 million. On this scheme the Ontario government will also defray 37.5 per cent of the costs.

In addition, The Department of Planning and Development has commitments to other conservation projects totalling \$2 million. This figure includes the costs of land acquisition, preliminary engineering and conservation area improvements and expansion. It should be carefully noted that the \$4.4 million involved here is strictly capital costs and that once the dams, parks, buildings, and so on are completed, the cost of maintaining them is the responsibility of the individual authority.

At the present time there are 46 federal-provincial projects either in the course of development or under active negotiation. This figure does not include numerous tentative inquiries which have been received from various municipalities since the recently announced policy changes in public housing, as these have not yet reached the stage where a formal request has been received.

In terms of capital investment, these 46 projects, which include both rental housing and land assembly, involve some \$67,928,000. Of this the federal government will bear approximately \$51 million, the province of Ontario \$13.25 million, and the municipalities concerned \$5.1 million.

In the land assembly projects both principal and interest are wholly recoverable from the purchaser of the serviced lots. The investment in rental housing projects, however, is recoverable over 50 years, and at the end of that period the partners each retain an equity in the project.

To the construction industry, the development of a federal-provincial project provides a source of employment, both on the site and in its ancillary industries.

In addition, there are innumerable indirect benefits to other industries which cater to the home owner or tenant.

Those projects currently under development cost approximately \$25 million, and although certain of these projects are well under way they still involve further expenditures of some \$4.5 million during the coming months.

Although not all of the projects now under

negotiation can be commenced in the immediate future, every effort will be made to ensure rapid development. For projects in Windsor, Etobicoke and Sarnia, tender calls will be made almost immediately.

In the remaining projects—which include large developments in Metropolitan Toronto such as Warden avenue and O'Connor drive, together with developments in Sudbury, Oshawa, Kirkland Lake, Brockville, St. Thomas, Kingston and Nepean township—preliminary studies will be concluded with the utmost expediency in an endeavour to have the projects in a development position by the spring or early summer.

When all of the developments currently under consideration have been completed the wage value to the industry will exceed \$18 million, or in terms of man-hours, approximately one year's work for more than 4,500 construction workers.

The Department of Public Works has an enormous programme under way at the present time which will be continued right through the winter months at extra expense if necessary. Projects will be carried on in almost every major centre of Ontario. The cost of these projects will amount to about \$99 million and it is estimated that more than 5,000 persons will be employed on them.

Major projects included in this programme are Ontario hospitals at Owen Sound and Palmerston and the rebuilding of the Orillia hospital. The school for the deaf at Milton and the Toronto psychiatric hospital are also facets of The Department of Public Works plans.

Renovations of, and construction of, registry offices are scheduled for several parts of the province as are Department of Highways garages and Ontario provincial police headquarters. Training schools are scheduled for Simcoe and Lindsay. These works will mean much to the building trades, particularly since so much of this work will be contracted.

Maintenance and repairs to existing government establishments goes on each year and contributes considerably to the employment of workers and the purchase of materials in many communities throughout the province. This may not seem to be much, but when one considers the number of municipalities in the province that have an institution or other government establishment located within its boundaries, the impact that such places have on the local economies is readily realized.

At present the Ontario water resources commission is undertaking an expenditure of \$2,872,000 and plans to spend an additional

\$2,306,000 for a total of \$5,178,000 on water during 1961. The commission at present is also spending \$6,883,000 and will spend an additional \$6,507,000 for a total of \$13,390,000 on sewage during 1961. This is a combined total capital expenditure for water and sewage during 1961 of \$18,568,000.

It is estimated that this expenditure will provide employment for approximately 4,000 men in the construction industry alone, not to mention the employment thus stimulated in the maintenance and supply of ancillary service trades.

The commission's capital expenditures for the federal-provincial-municipal winter works programme at present is \$9,051,725 and work is being carried out in 28 different municipalities. An additional \$2,287,750 is expected to be added before the winter is over. It is estimated that an extra 2,350 men are being put to work as a result of this expenditure during the winter period.

The province is eager to co-operate in the sewage treatment plant programme announced last November by the federal government whereby \$100 million has been set aside for the purpose. Under the plan, the federal government will loan municipalities two-thirds of the construction cost of a sewage treatment or disposal plant.

Furthermore, if the work is completed before March 31, 1963, the federal government will "forgive" the municipality involved 25 per cent of the principal and interest.

The Central Mortgage and Housing Corporation will make the loans.

In Ontario, the sewage projects are divided into 3 groups: those for immediate construction, those in active planning, and those to be developed. All are expected to go forward within the time limit set by the federal legislation.

It is estimated that a \$90 million expenditure would be eligible under federal legislation, and the loan on this would be \$60 million, of which the municipalities would receive in subsidies or "forgiveness" of debt \$15 million if the projects are all completed within the time limit.

This expanded programme will, of course, necessitate a great deal of additional work on the part of the Ontario water resources commission and it has assured the Central Mortgage and Housing Corporation the fullest co-operation in the development and carrying through of these projects. This will result in a tremendous advance in pollution abatement in this province and will greatly

assist and accelerate the work being done by the Ontario water resources commission.

For several years now, studies and limited projects have been carried out for the training of unemployed persons in Ontario under the schedule M programme. Under this programme the federal government pays 50 per cent of the costs as well as all living costs, allowances, and transportation of students enrolled. In addition, it has recently announced that it will pay 75 per cent of costs on certain minimum training courses. However, for all practical purposes the province will provide 50 per cent of the costs of such courses.

Until 1960, training of this nature was carried out only in Windsor. Since that time training courses have been set up in Brantford, Elliot Lake, St. Catharines, Huntsville, Cornwall and Atikokan. Briefly, The Department of Education sets up a committee to ascertain who are unemployed in a municipality, what trades can be taught, and what opportunities are available. The department then moves in and sets up the actual courses, arranges the accommodation, and obtains the teachers. The candidates are selected by the national employment service.

It is heartening to note that recently a training programme was also set up in Metropolitan Toronto. In this programme, courses are offered in radio and television service, drafting, welding, diesel mechanics, appliance servicing, business machine servicing, food industry servicing, furniture repairing and upholstering, small internal combustion machine servicing and shoe repairing. The courses will vary in length from two to 10 months and will provide training for approximately 1,400 persons in the next 12 months. The programme is estimated to cost about \$1 million.

And now, if I may, sir, I would like to say a few words—with the permission of the hon. Minister of Energy Resources (Mr. Macaulay)—about the great programme of The Hydro-Electric Power Commission of Ontario. I have his permission to do this.

First of all, I should like to speak of capital construction expenditures for 1961, by Ontario Hydro. It is estimated that in 1961 Ontario Hydro will spend a total of \$137.6 million involving work on generating stations, transformer stations, transmission lines, rural facilities and a number of miscellaneous items.

Beyond that, present generation and extra high voltage transmission plans up until 1966 include, in the southern Ontario system, the Richard L. Hearn generating station, \$107.7

million; the Lakeview generating station, \$167.9 million; and N.P.D.—Ontario Hydro portion—\$8.1 million. A total of \$283.7 million.

Now, in the northeastern region: Red Rock Falls generating station, \$19.1 million; Otter Rapids generating station, \$39.1 million; and Little Long Rapids generating station, Harmon generating station, Kipling generating station, and extra high voltage transmission—in all, \$182 million—for another \$240.2 million.

This represents a total of \$549.9 million on capital construction expenditures. It is truly a great programme.

Mr. Wintermeyer: Did I understand the hon. Minister to say they were spending \$549 this year on capital expenditures?

Hon. Mr. Warrender: If the hon. leader of the Opposition had been listening, he would have noticed that I broke it up into parts. I said: In 1961 Hydro would spend \$137.6 million and the programme as extended to 1966 will involve an expenditure of \$549.9 million. After all, we have to plan ahead. That is more than the Opposition does.

I know they do not like this sweet music, but, nevertheless, there are many people who want to hear it. This amount includes expenditures for plants now under construction as well as for future plans.

In addition to the \$137 million being spent on capital construction, Ontario Hydro will spend some \$225 million on ordinary expenditures in 1961.

This approximate expenditure of \$362 million by Ontario Hydro in 1961 will provide approximately 36,000 indirect jobs in addition to the 15,000 employed directly by Ontario Hydro.

Ontario Hydro will be spending over \$1,750 million in the next 6 years on capital and ordinary expenditures.

With these many and varied projects in mind, it is obvious that the government of Ontario and its agencies are making an invaluable contribution to employment in the province—which is bound to have a most desirable effect on our economy.

Mr. Wintermeyer: Mr. Speaker, will the hon. Minister permit a question?

Hon. Mr. Warrender: I do not think questions are permitted at this stage, are they, Mr. Speaker?

Mr. MacDonald: Mr. Speaker, through you I want to put a question to the hon. Prime

Minister. I recognize that you, Mr. Speaker, are in a very difficult position because you have had to cope with an hon. Minister who abused his position and roamed the field of the Throne speech and the estimates of half-a-dozen departments on an issue that should have been debated in connection with the unemployment resolution which is on the order paper.

My question, Mr. Speaker, to the hon. Prime Minister, is this: When is he going to permit this unemployment debate to continue so that we can have some opportunity to discuss it?

Hon. L. M. Frost (Prime Minister): Mr. Speaker, may I say to the hon. member for York South that the statement of the hon. Minister is quite within the rules of the House. There is not only ample authority, but there is ample precedence for it. This is a matter which we here consider to be of urgent public importance.

This House met on November 22. It adjourned on December 16. During that period of about 4 weeks the matters of unemployment and employment were very much to the fore. As a matter of fact, the subject was very much to the fore in the government programme as announced and read by His Honour the Lieutenant-Governor (Mr. Mackay).

I think the hon. member would agree that when we leave the heat of political considerations out of this matter, surely the people, and this House, would expect the hon. Minister and the Ministry, as a matter of duty, on the first opportunity—which is on this day of January 24, 1961—to give this House a full factual statement of information brought up to date.

I think that this is in accordance with good practice. I think it is in accordance with what the hon. members of this House would expect. I am sure of this. Really it is in line with what the hon. members of the Opposition would expect. If the government had not made this statement today through the hon. Minister of Municipal Affairs, of course, the hon. members would have said—and I think with some justification—that the government was derelict in its duties.

I say, in answer to the question of the hon. member for York South, the session now resumes this afternoon, and there will be ample opportunity for discussion. Nearly every facet of this government's work is connected with employment and expansion and development of this great province of ours. There will be all sorts of opportunities for the

hon. members of this House to discuss thoroughly these questions in detail in the course of the next couple of months or so.

Mr. MacDonald: When are we going to have an opportunity on order No. 20?

Hon. Mr. Frost: We will come to that in the course of time.

Mr. MacDonald: After all, one of the hon. Ministers of the hon. Prime Minister put an amendment which in effect is a vote of confidence in this government, and the hon. Prime Minister is afraid to call it. Is that the problem? Is he afraid to call it?

Hon. Mr. Frost: I would not say—I am very modest myself—but it seemed under the circumstances that a vote of confidence was unavoidable. That is the way it looked.

Mr. Speaker, I propose to place on the order paper a resolution upon which I should like to make a very brief statement.

At the time of the announcement of the reorganization of The Department of Municipal Affairs, mention was made of the creation of a legal department under the direction of Mr. C. W. Yates, Q.C., a man of great capacity and great learning.

Now, this department, among other things, would be charged with the review of The Municipal Act and related Acts. That was stated at the time.

I am glad to say, sir, that the organization of this very important department of The Department of Municipal Affairs under the direction of Mr. Yates has proceeded very satisfactorily and much work has already been done in a review of the statutes in question.

The work, sir, now has reached the stage where it could be both helpful and practicable to have a select committee of the House appointed to review with the law officers changes which are proposed. This would be something after the fashion of the select committee which reviewed The Corporations Act, which is highly satisfactory to the people and to the government of this province.

Now, sir, the review of The Municipal Act and related Acts is a huge task which will involve a very considerable time, very probably a number of years. It is therefore not possible, or indeed desirable, to undertake an elaborate rewriting of the Acts in question and then submit them *in toto* to the committee. That was the course taken with The Corporations Act, but it is not either practical or desirable in this case.

It has been felt this matter might be proceeded with more satisfactorily by review-

ing the matter simultaneously with the review conducted by Mr. Yates and his staff, so that the reviewing and revising officers headed by Mr. Yates will have the opportunity of consultation from time to time with the select committee.

I therefore give notice of motion, which will be placed upon the records of this House and which can be dealt with in due course, in the following terms. If this is not satisfactory I will be very glad indeed to review it with the hon. members of this House, but it would seem to me that this would be ample:

NOTICE OF MOTION

THAT a select committee of this House be appointed to inquire into and review The Municipal Act of the province, and related Acts, including The Assessment Act, The Department of Municipal Affairs Act, The Local Improvement Act, The Ontario Municipal Board Act, and The Planning Act and the regulations made thereunder for the purpose of modernizing, consolidating and simplifying such Acts and the regulations, and making such recommendations as may be necessary for their improvement;

AND THAT the select committee have authority to sit during the interval between sessions and have full power and authority to call for persons, papers and things, and to examine witnesses under oath, and the assembly doth command and compel attendance before the committee of such persons and the production of such papers and things that may be necessary for any of its proceedings and deliberations, for which purpose the Speaker may issue his warrant or warrants;

AND THAT such committee consist of 9 members.

The work of the committee, of course, would be to pass upon and review the revisions from time to time arrived at by the legal department of The Department of Municipal Affairs. The purpose of this work to be to modernize, consolidate and simplify, which of course is in the wording of the resolution itself.

Sir, I am hopeful this would enable the House to proceed progressively with the revisions of these Acts, which as a matter of fact will probably take a very considerable period of time. It would be possible to revise, for instance, certain parts of The Municipal Act which would enable us to proceed with the work in an orderly manner.

The meetings of the committee would be, I think, all held here in Toronto. I think they could be conducted in a manner which would not involve undue drain on the time of hon. members whom I am hopeful will be named by this House as members of such a committee.

Might I, in conclusion, point out that to take these as they presently stand with all of their amendments and all of their ramifications and place them before a select committee of the House is, of course, a hopeless proposition. I have stated that on other occasions. I do think that, with the procedures which have been evolved and the consideration which has already been given to the rewriting of these statutes—and, as I say, modernizing and simplifying them—the matter becomes one in which a select committee is one of the best systems under which we can bring to the assistance of the department and the revising officers practical views coming from the elected hon. members.

Of course, as was the case with The Corporations Act, the matter eventually comes back here to the House and the committee of the whole House, and finally to the decision of the House itself, as to whether the revision of these statutes will apply.

I give that explanation with the notice of motion. The matter, of course, can be considered and debated at the time when it comes before the House, which will be within a short time.

Mr. Wintermeyer: Mr. Speaker, will the hon. Prime Minister permit a question or a comment?

Hon. Mr. Frost: Yes, go ahead.

Mr. Wintermeyer: Mr. Speaker, this is a request that the Opposition has made for years and years. It was only a year ago that the hon. Prime Minister said he had a better way of tackling this particular problem than a select committee. Today he is bowing to the very suggestions which were made a year ago. It was only a month ago that the hon. Minister of Municipal Affairs said that everything was all right, there was no need of this type of thing.

Now we have a situation where a man by the name of Yates, capable as he may be, is going to determine what will be determined. Mr. Speaker, much as I am in favour of a select committee, I can say unhesitatingly now that I am opposed to anybody determining how this shall be studied.

Let me ask the hon. Prime Minister, will Metro legislation be included in the study?

Hon. Mr. Frost: Not at the present time.

Mr. Wintermeyer: Why not? It is one of the most important.

Hon. Mr. Frost: I will deal with that in its proper sequence.

Mr. Wintermeyer: Secondly, Mr. Speaker, will this committee have jurisdiction to determine who shall be responsible for the cost of education, for example?

Hon. Mr. Frost: No.

Mr. Wintermeyer: Well, Mr. Speaker, then I suggest the committee is abortive. It is intended to talk about trivial technicalities only. It is fundamental questions we want to come to grips with. And yet they will not form part of the discussion of this important work.

Hon. Mr. Frost: The hon. leader of the Opposition must know that in the end money matters are the prerogative of the representatives of the people. What in the world would some committee have to do with allocating funds for education?

Mr. Wintermeyer: Functional responsibilities! I did not say money.

Hon. Mr. Frost: Mr. Speaker, I suggest that if the hon. leader of the Opposition thinks this over he will find it is a pretty good idea. I will do my very best to co-operate with and please him and his hon. colleagues. I hope this will have such an effect.

I may say this to the House: I like to report matters to the House and to my hon. colleagues.

During the recess my hon. colleagues and I had two very important meetings with two of the large municipal organizations of this province, the Ontario municipal association and the Ontario mayors' and reeves' association.

As a matter of fact, my hon. colleagues and I had a meeting yesterday with the Ontario mayors and reeves, who were here on a formal occasion. We very often consult with these fine people.

We submitted certain matters to them, more notably the speech which I made in Cornwall last June relative to the autonomy of our municipalities and the matter of the integrity and the ethics of both elected and municipal officials. It was very heartening to receive the entire commendation yesterday of the mayors and reeves on that position. Without reservation they endorsed what

we had done. In view of what has been said and what has been done, sir, I think the hon. Minister of Municipal Affairs might explain to the House certain matters to which we gave consideration.

Hon. Mr. Warrender: Mr. Speaker, you will recall over the past several months there has been some emphasis on this whole question of a code of ethics for municipal councillors. That has been considered for some length of time. As a matter of fact, I have discussed it with individual representatives of the Ontario municipal association and the association of mayors and reeves. The Ontario municipal association, when they were before the hon. Prime Minister and ourselves, made this point quite clear. They have discussed this whole question of a code of ethics for municipal councillors.

The motion brought before that body has been rejected because they said that, as far as they were concerned, the code of ethics is right in The Municipal Act as presently constituted.

The representatives of the mayors and reeves made similar statements.

So Mr. Yates and one or two others on the staff looked into the Act and pointed out the highlights of The Municipal Act which have to do with qualifications, disqualifications, the duties and responsibilities of the elected and appointed persons on municipal council. As a result I made up this statement and I wish now to read it to the hon. members:

In order to assist members of councils, boards and commissions to become aware of and understand the provisions of The Municipal Act and other statutes regulating their conduct in office, The Department of Municipal Affairs proposes to prepare and distribute a handbook for the guidance and assistance of members of councils and local boards and commissions which will summarize and set out in full the relevant statutory provisions.

The government is, at the present time, examining legislation on this subject and proposes where deemed necessary to amend such legislation with a view to its improvement. Amongst other things there will be considered the desirability of introducing an amendment which would require any member of a council or local board or commission to declare his interest in any matter being dealt with by such body and to refrain from discussion or voting thereon.

Consideration is also being given whether the application of the existing provisions of

The Municipal Act should be extended in whole or in part to local boards and commissions such as planning boards, conservation authorities, and so on.

In the meantime, as a matter of information, there is set forth below a summary of the existing legislation contained in The Municipal Act as it relates to this subject together with a copy of the sections in full.

What we have done is to paraphrase the pertinent sections, some 15 of them. We have also set out in full verbatim the sections referred to, and at the end we have included form No. 20 which is the statutory declaration of office which now is in The Municipal Act.

I will just go over quickly the sections which we consider pertinent at this time but, as I say, some others will be added at a later time when amendments are brought in.

Section 34: General qualifications of candidates. He must be a householder or rated for enough to be entered on the voters' list, residing in or within 5 miles of the municipality, entered on the last revised voters' list, a British subject, of the full age of 21 years and not disqualified under this or any other Act.

Section 35: Disqualifications. Certain specified office holders such as judges, etc., are disqualified as well as any employee of the municipality, a member of a local board and a person having an interest in any contract with the municipality or who has any claim against the municipality or who is solicitor for a person having such a claim.

Also any person whose taxes against land in respect of which he qualifies are unpaid or whose business tax is unpaid or an undischarged bankrupt.

However a person is not disqualified by reason of his being a shareholder in a company having dealings with the municipality or in certain other circumstances set out in subsection 3 of this section, but any such person shall not vote on any question in which such company is interested.

Section 36 provides that a contract between a member of council or a purchase or sale by a member of council to the corporation is void as against the corporation.

Section 144 provides that the seat of a member of council becomes vacant amongst other things if he is imprisoned for a criminal offence, is a bankrupt or insolvent or makes an assignment for the benefit of his

creditors or absents himself from meetings of council for 3 months or resigns.

Section 145 sets out the procedure to unseat a disqualified person.

Section 148 (6) requires the resignation of a person intending to run for a different office.

Section 171 provides that any candidate who is found to have been guilty of bribery or of a corrupt practice forfeits his seat and is disqualified for two years.

Section 178 sets out in detail the corrupt practices in respect of elections.

Section 197 provides that all votes of a council are to be open and to be recorded.

Section 198 prohibits a councillor from voting on any bylaw appointing him to any office or fixing his remuneration for any service to the corporation other than attendance at meetings of council or its committees.

Section 211 sets out the duties of the head of the council including the duty to oversee the conduct of all subordinate officers and to prosecute and punish all negligence, carelessness and violation of duty.

Section 236 (1) provides that all councillors shall make a declaration of office (form No. 20).

Section 278 provides that a bylaw in respect of the passing of which corrupt practices have occurred may be quashed.

Section 291 provides that bylaws contracting debts shall not be repealed until the debt and interest have been paid.

Section 292 provides a penalty for every officer of a corporation whose duty it is to carry into effect the provisions of a money bylaw who neglects or refuses to do so.

Section 310 provides for the liability of councillors for diversion of monies raised for a special purpose or for a sinking fund. Action may be brought by a ratepayer. Disqualification for two years of councillors voting for misapplication of funds.

Section 319 provides for personal liability of councillors for loss sustained by investing monies set apart for educational purposes otherwise than authorized.

Section 329, (11), (12) and (13) provide for disqualification for two years of councillors voting for borrowing more than authorized and personal liability for misapplication of revenues charged with temporary borrowing.

I think, Mr. Speaker, after the hon. members have had an opportunity to read this

statement, and later on after they have an opportunity to hear the proposed amendments to the present Municipal Act, they will feel that here we have the full answers to those who think some special code of ethics is required.

Hon. R. Connell (Minister of Public Works): I would like to rise on a point of public importance.

On January 12, news reports were circulated and published which gave the impression that The Department of Public Works of Ontario was in the habit of buying office furniture from the United States. The issue was raised in a brief presented by the united brotherhood of carpenters and joiners to hon. Ministers of this cabinet.

Specifically, the union brief complained that the chairs purchased by my department for the committee rooms of this building were manufactured in Grand Rapids, Michigan. It is true that one part of this chair was manufactured there and imported for assembly with the remainder of the chair.

This part was a steel pan on the bottom of the seat. The manufacturers and suppliers have assured me that this part constituted 40 cents of the chair's value of \$29.90. All the rest of the chair was made in Ontario and was assembled at the Don Mills plant of Canadian Steelcase Limited.

I would further like to state that it is the policy of this department to buy, wherever possible, Ontario-made office furniture. The hon. members of this House have access to the public accounts of this government and may check for themselves, but I can assure them that they will find that all our office furniture has come from Ontario suppliers. I am told that virtually all of this furniture is manufactured right here in this province from Ontario materials.

I would further like to restate my policy that my department shall "buy Canadian" wherever it is possible to do so. I would not consider drawing provincial boundaries to restrict our purchasing policy, as long as other provincial administrations will allow our Ontario manufacturers to compete freely for public business within their provinces.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before the orders of the day, I would just like to make a statement arising out of discussions which took place in this House in December in connection with an investigation or inquiry that was undertaken by my department. I am referring to the Royal commission hearing concerning the Sarnia

Indian reserve and the evidence of Mr. A. J. B. Gray.

Following receipt of the transcript of evidence taken at the hearings and the report of the hon. Mr. Justice McGillivray, commissioner, I instructed the director of public prosecutions to consider this material for the purpose of determining whether or not it was indicated that one of the witnesses, Mr. A. J. B. Gray, had committed the offence of perjury. The director of public prosecutions reported to me as follows, and I am now quoting his report:

I have studied the transcript of the evidence taken at the inquiry for the purpose of determining whether or not it discloses a foundation for prosecution for perjury. The evidence of Mr. Gray was lengthy, garbled and contradictory. Mr. Justice McGillivray attributed to him a complete lack of candour. This demonstrates an unco-operative attitude, but does not establish perjury.

The substance of the evidence which it has been suggested was perjured is the denial by Mr. Gray that he had had any agreement or understanding for payment or correspondence with Messrs. Sigler and Ray of Dimensional Investments Limited.

This evidence was adduced during the examination of Mr. Gray by Mr. Kellock and in its broad sense it was established to have been false by evidence adduced at a later stage of the inquiry.

However, immediately following the making of these answers and of course before the contradicting evidence was introduced, Mr. Mackinnon, who I understand was acting for Mr. Sigler at the inquiry, asked him [that is Mr. Gray] the meaning of them. And he said they were related to correspondence or agreements concerning dealings between Dimensional and Hydro. He indicated rather clearly that he had interpreted the questions to be limited to this and had made his answers accordingly.

After the evidence was adduced to show that he had in fact correspondence and perhaps an agreement as to remuneration with Dimensional Investments Limited, he agreed that this was so, but that it did not concern Hydro.

In my view, the evidence does not warrant the laying of a charge of perjury. That is the director of public prosecutions' report as quoted.

After considering this report and discussing the matter with the Deputy Attorney-General

and director of public prosecutions, I am satisfied that a prosecution is not warranted in this instance.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the following: the public accounts for the province of Ontario for the fiscal year ended March 31, 1960; and the report of the Provincial Auditor of Ontario for 1959.

Mr. Wintermeyer: Before the orders of the day, I want to take this opportunity to rise on a matter of personal privilege. I would take this opportunity to discuss a story that appeared in the *Toronto Telegram* yesterday, a front-page story dated January 23, 1961.

Mr. Speaker, this story attributed to an unnamed source the rumour that it is my intention to resign the leadership of the Ontario Liberal party and contest a federal riding.

I want to take this opportunity to deny emphatically this malicious rumour. I have but one interest and that is the leadership of the Ontario Liberal party. I have not been offered, nor will I accept, any nomination in any federal riding, nor will I accept any other federal post.

Further, Mr. Speaker, the story suggested there is an effort to replace me as leader of the Liberal party in Ontario. Mr. Speaker, I do not pretend that I have a divine right to lead this party, or to act as its leader, but likewise I am not going to be pushed around simply by idle gossip in a Tory newspaper.

I want to point these things out, Mr. Speaker, to this Legislature, in order that the valuable time of this House will not be taken up by newspaper imaginings. I am honoured to be leader of this party, Mr. Speaker, and I am honoured too in the endorsements I have had in the course of the last day from my hon. colleagues in this House, from officials in the party, and from Liberals across Ontario.

Mr. Speaker, I intend to continue as leader of this party and will lead the Liberal party back into the government of this province.

Now, Mr. Speaker, I have a question before the orders of the day for the hon. Minister of Municipal Affairs. I would like to refer to a letter that has come to my attention, likewise telegrams and telephone calls to support this particular resolution. It is a letter issued by the chamber of commerce in Elliot Lake dated January 20, and it reads as follows:

The commercial industrial property owners committee resolve not to pay any

further taxes to the municipality of Elliot Lake until The Department of Municipal Affairs comes up with a practical solution for the town's financing. We accuse the provincial Department of Municipal Affairs of gross mismanagement in the establishment and operation of this municipality. We further accuse the provincial and Dominion governments of serious misrepresentation of all the facts on uranium which has led the citizens of this community into financial chaos.

The reason for this statement is that only the mining companies and both governments will make a profit in Elliot Lake while the home owner and the businessman will lose everything if the present trend continues.

Now, my question, Mr. Speaker, which has been directed to the hon. Minister of Municipal Affairs, is this:

In view of the resolution passed on January 20 by the commercial and industrial property owners committee of Elliot Lake that they will not pay any taxes until The Department of Municipal Affairs comes up with a practical solution to the town's financing, and in view of a request from Elliot Lake home owners for a stay of all writs of foreclosure, would the hon. Minister give in detail the government's programme to resolve this financial crisis in Elliot Lake?

Hon. Mr. Warrender: I am going to give quite a lengthy statement on this at a later time. But at this moment I should like to say this in reply to the question posed by the hon. leader of the Opposition:

Over the last several years I have had many occasions to meet with representatives of the Elliot Lake area, whether they belong to official ratepayers groups or otherwise. On nearly every occasion, recognizing there is a great problem there, they have commended our department, commended this government, for the fine work we have done in trying to assist them with their very difficult problems.

Now it seems a very strange thing to me, Mr. Speaker, that this particular letter should go to the hon. leader of the Opposition and that I should not hear about it at all except through the medium of the press.

Let us go back to the origin of Elliot Lake. What government in power in Ottawa asked this government here to help them erect a model town up there for the uranium industry? The Liberal government—backed by those hon. members right over there. They were the ones who initiated this scheme.

The hon. leader of the Opposition, instead of asking me questions, got up and made a speech by reading from a letter which is a nice subterfuge for getting in a speech and not asking a question. Well, I am going to answer him in my own way, Mr. Speaker, and I am going to reply to every phase of the question.

Now I repeat for his benefit that on many occasions I have met these people and have been commended for the fine job we have done.

I know the two or three people behind this. I know that one of the hon. members of this House was up in Elliot Lake not too long ago. I know some of the things that went on there, the question being asked, and the letter going to the hon. leader of the Opposition. We know what is going on.

Mr. Wintermeyer: Mr. Speaker, that is pure nonsense. If the hon. Minister has a charge to make, let him make it.

Hon. Mr. Warrender: I am making the statement that we know what is going on. We have friends up there.

Mr. MacDonald: The hon. Minister is dealing with innuendoes.

Hon. Mr. Warrender: Mr. Speaker, I met with these people many times last year; many of the ratepayers and their associations, not just a couple of these idle persons to whom he refers and from whom he gets his information.

I want to point out that last October I made a promise to the ratepayers who came down to see me, that within a 6-month period The Department of Municipal Affairs would come up with a solution to that problem, that we would come up with a programme of refinancing for the Elliot Lake corporation, and we intend to do just that. That 6-month period has not expired.

We shall have the answer. We shall have the programme before this House within, I hope, a week or two weeks. At that time we will indicate a definite way in which we can give beneficial assistance to the ratepayers in that area.

In the meantime, if this so-called commercial industrial property owners committee fails to pay its taxes, even though they say that property up there has not much value, this would be a good way to lose every asset they have in that community. If they fail to pay their taxes somebody will move in. If that is the kind of advice they are giving the ratepayers up there, I suggest they look

around for some better source for information and advice. They are being led right down the garden path.

Now we will come to the question of the writs of foreclosure. Mr. Speaker, the hon. members opposite should know about that because it was their party who started this. All of these agreements in respect of lands and buildings up there were entered into between the individual and the government of Canada. We have not one bit of jurisdiction over this field so far as writs of foreclosure are concerned.

The hon. leader of the Opposition now is getting advice from some source. I suggest, Mr. Speaker, he get it from another source because he is away off the beam as usual.

We are looking after the interests of those people up there. We are working out a programme which I am sure will be most helpful to them, and we do not have to send one of our own hon. members up there, poking around behind the scenes, trying to stir up these people. We know what is going on.

Mr. Wintermeyer: I know of nobody who was up there stirring up these people. I am not going to sit down just because the hon. Minister waves his hand.

Mr. Speaker, the hon. Minister has made a charge that I or somebody in this group was up there stirring these people around, or stirring them up. Let him prove it.

Hon. Mr. Warrender: They were up there.

Mr. Wintermeyer: Certainly we were there. Why should we not be there? Where was the hon. Minister?

Mr. R. M. Whicher (Bruce): Mr. Speaker, the only thing we stirred up was the hon. Minister.

Mr. MacDonald: Mr. Speaker, I hope you will permit me to make a brief comment on this. Also, there is a question, once again, that I would like to ask of the hon. Minister of Municipal Affairs or the hon. Prime Minister.

In order that the hon. Minister of Municipal Affairs will be relieved—since he believes there is a little conspiracy “poking around,” at least it is shared by all those in the Opposition, in the hope we may get this government to do something. I happen to have a copy of this, too. I have a copy of the release which was put out under the name of W. H. Wright, chairman of a committee of the Elliot Lake chamber of commerce.

Mr. Speaker, a second thing—just to

indicate how widespread is the apprehension on this—I have a telegram from J. Cherron, president of the Elliot Lake home owners' association. This is what he says:

URGENTLY REQUEST YOU INVESTIGATE PLIGHT OF HOME OWNERS.

He wants some of us to go up and poke around, to quote the inimitable phraseology of the hon. Minister of Municipal Affairs. The telegram continues:

RESPECTFULLY REQUEST YOU ASSIST US IN OBTAINING STAY OF ALL WRITS OF FORECLOSURE ON ELLIOT LAKE PROPERTIES SO PROPER INVESTIGATION OF WHOLE ELLIOT LAKE SITUATION CAN BE CONDUCTED.

These people are exercised. Mr. Speaker, they have every right to be exercised. The hon. Prime Minister told this House last year to wait for a year and the problem will have faded away. Clearly it has not faded away. It is getting worse.

Mr. Speaker, I shall not abuse the rules of the House for a half an hour like the hon. Minister did. My request, through you, to the hon. Prime Minister is this:

When we get this statement in the House which the hon. Minister of Municipal Affairs warned us a few moments ago would be made in a week or two or three, or month or two or three—

Hon. R. Macaulay (Minister of Energy Resources): In two weeks.

Mr. MacDonald: All right, two weeks. Will the hon. Prime Minister give this House the assurance that after the hon. Minister has made his statement, the House will be able to debate it? Or are we going to have a repetition of this afternoon's spectacle where the government makes its statement and then we have a Killaloe foreclosure and the Opposition cannot debate the issue? Can we have the assurance of an opportunity to debate it?

Hon. Mr. Macaulay: Read the rules of the House.

Mr. MacDonald: Mr. Speaker, I object to this interjection. The order paper of the House has a motion dealing with unemployment, and the hon. Minister got up and made a speech covering a half-dozen departmental estimates in violation of that rule on the order paper. Now some hon. Minister has the colossal gall to get up and tell me to read the rules of the House.

Mr. Speaker: Order, order.

Mr. MacDonald: My question, Mr. Speaker, to the hon. Prime Minister is this: Have we the assurance that we will have the right

to debate this when the hon. Minister makes his statement?

Hon. Mr. Frost: I would say to the hon. member that of course we will abide by the rules of the House and we will treat the matter in accordance with those rules. There are plenty of opportunities for him to debate and discuss this question.

Mr. MacDonald: When the hon. Minister has made his statement?

Hon. Mr. Frost: Well, I do not know. We must follow the rules of the House.

Mr. MacDonald: The hon. Prime Minister is weaseling. Why does he not come clean?

Hon. Mr. Frost: It is not within my competence to change the rules of the House.

Mr. MacDonald: Oh; not within his competence to change the rules of the House! The hon. Prime Minister makes them as he goes along. He has been doing that this afternoon.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day I would like permission to make a brief statement on a matter of personal privilege.

I would like to call attention to the *Hansard* for December 12, 1960, at page 447 thereof.

In the left-hand column there are two statements attributed to the hon. leader of the Opposition, Mr. Wintermeyer, which were actually made by myself. I have checked the tape on that point.

I may say the hon. leader of the Opposition got a substantial amount of publicity out of these particular statements. I do not mind getting this publicity for him if he is so unable to get it for himself, but I do believe, Mr. Speaker, that at least the public record should be correct.

I would ask that when the bound volume of *Hansard* is produced this matter should be reported correctly on page 447, and not merely through an *erratum* notice many pages later.

Hon. Mr. Frost: Mr. Speaker, before proceeding with the next order of business—that is item No. 2, resuming the adjourned Throne debate—I may say I know that the House is waiting anxiously to hear the hon. member who will be speaking, owing to the fact that great anxiety was expressed to hear him on December 16.

I cannot recall the Opposition being so anxious to hear a member of the government

side speak that they divided the House on the question of whether there should be an adjournment at that time.

However, I regret I find it necessary tonight to leave a little early, owing to the ceremonies attending the installation of the president of the new York University. I received instructions to be there on time, so I have to do that.

Now, sir, what I have to say involves the order of business for tomorrow and succeeding days.

Tomorrow is Wednesday and the House will be sitting owing to the fact there is not sufficient committee business to have the House rise. So tomorrow I would like to call private member's bill No. 16 standing in the name of the hon. member for Wentworth East (Mr. Gisborn) which can be given consideration at the outset.

Following that, I would like to be in a position to call any of the items on the order paper, but more particularly the orders relating to private bills; the committee consideration of a number of bills which are standing on the order paper and were carried over from the date of adjournment on December 16; and following that the resumption of the adjourned debate.

Mr. MacDonald: Are we meeting at 2 o'clock or 3 o'clock?

Hon. Mr. Frost: At 3 o'clock tomorrow.

With that, I would call government order No. 2.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. A. Carruthers (Durham): Mr. Speaker, in resuming the debate on the speech from the Throne, I assure you I do so with some hesitancy. If you remember, it was my duty to adjourn the debate on two previous occasions and on the last occasion it resulted in a division of the House on which a vote had to be taken, ending in considerable uproar.

After a very enjoyable Christmas season, I have renewed enough courage to once more attack the problem.

May I first join with many other hon. members of this House to offer my sincere regrets on the death of two valuable members of the House, in the persons of Mr. A. Robert Herbert and Mr. George G. Johnston, two members whom I had come to respect and whose advice and friendship I valued most highly.

May I congratulate you, sir, on the continued dignity with which you conduct the affairs of this House—and in the most unbiased manner as well.

I would also like to offer my congratulations to all hon. members who have been promoted to responsible positions in the government. I congratulate them most heartily. Those promotions are well warranted.

I would also like to join with the Opposition, Mr. Speaker, in congratulating the government on its very fine programme of development and extension. We are living in very uncertain times when, in a society where we have 30,000 jobs lying vacant because we have not the skilled help to fill them, we have an element of unemployment. This is unemployment which cannot be blamed on any government or on any group or any organization, but is due to many factors. I would like for a moment or two to recall a few of these as a background to my remarks.

First, we have the unfavourable exchange rate on the Canadian dollar, but thanks to the policy of the government at Ottawa, we are now placed in a more favourable position in this respect.

We have the recovery of the industrial life of western Europe. After World War II, industry in western Europe was flat on its back and we, in the western world, became rich on other people's troubles. We indulged in higher profits, higher wages, shorter hours and a more luxurious way of life. But I assure you, Mr. Speaker, that the honeymoon is over and we now find ourselves in a very competitive world.

Our young people are being enticed from schools because of favourable opportunities for jobs with high wages. Students leaving at grades 9 and 10 now form a rather large bloc of unskilled help.

What also concerns me is the large drop-out of unskilled students from our secondary schools—even at the present time—especially in grades 9 and 10.

We have the present unemployment situation of our friendly neighbour to the south, where more than 5 million people are out of work. With our economic ties so close to those of our friends to the south, any unemployment in that country is bound to result in unemployment in this country.

And I think the hon. members of this House will agree with me that full employment cannot be reached in this province or in this country until such a time as full

employment is reached in our neighbour to the south.

But to meet this challenge and to alleviate this situation, this government has launched a large programme of expansion and development. It is a programme designed to encourage industrial and economic growth and to provide more jobs. I am happy to report that, in my own riding of Durham, there has been a sharp reduction in unemployment in the past month. It speaks well for the people whom I have the great privilege of representing.

With this background, Mr. Speaker, I would like to show you how this programme of expansion and development has been reflected in my own riding of Durham.

In respect to agriculture: The visit of the hon. Minister of Agriculture (Mr. Goodfellow) and his delegation to the British Isles—and the promise of greater markets in that country—has been received very favourably by the farmers of my riding, I assure you, Mr. Speaker. The farm marketing legislation of this government has been advantageous to all farm groups in my area.

May I particularly mention the tobacco industry of Durham county which has prospered greatly under the farm marketing legislation of this government. Never was the tobacco industry in Durham county more prosperous than it is today.

We are witnessing in the county of Durham huge highway expansion which is providing not only continual work throughout the year, but has been expanded considerably during the winter season to provide winter work. The extension of highway No. 401 to the eastern limits of the county has filled a large gap and has added greatly to the prospect of those ribbons of pavement stretching to the Quebec border.

Highway No. 7A in the northern part of the riding is now under construction and is providing considerable winter work. Five miles of this highway have now been paved. This will do much, I assure you, Mr. Speaker, in developing the northern area of my riding and providing an access to the tourist area which is an important feature of this section.

The rebuilding of the causeway on Lake Scugog—a project looked forward to for many years—will relieve a great deal of anxiety on the part of the people of that area, who have suffered greatly in the past through flooded conditions. This is another aspect of this programme of development and expansion which is providing considerable winter work.

The Department of Planning and Development has been most active in the area of Durham county. We have seen in the past season two community centres established in the village of Orono, and a large contribution made to the new swimming pool there.

We have seen greater expansion of the Ganaraska conservation area, which I might say is the pilot conservation area of this province. Those hills which stood for so many years practically denuded of forest wealth are today once more clothed in the green wealth of future prosperity.

We have seen, in connection with the programme, the development of a conservation area in my own home village of Garden Hill with a large conservation pond and a beautiful park.

May I mention the part the water resources commission of this province is playing in the winter works programme and development of my riding?

The village of Newcastle has taken advantage of the water resources programme to install a municipal waterworks system in that village and The Department of Municipal Affairs has co-operated by making this eligible as a winter works project.

I am also pleased to announce that in the town of Bowmanville they are planning a county museum, something that the people of my riding have looked forward to for many years. Through the generosity of the Williams family of that community a large sum of money has been granted and with the assistance of The Department of Travel and Publicity this project is going ahead.

We are also witnessing in Durham county a great expansion in the school building programme including the building of 3 additional secondary schools, and a large number of elementary schools. May I say that this results in providing considerable winter work for our people.

I am concerned, however, with the large dropout of our young people from the secondary schools, especially in grades 9 and 10.

I will be very brief, but I would like consideration given by this government to the adoption of an educational policy which will challenge the students of today. It seems to me that there is too much tendency—and I speak from a practical point of view—to pass the pupil from one grade to another without any real challenge. Unless we can challenge these young people by some method or other, it is going to reflect in

future years in the life of this province, and in the life of this country.

I would also like to see consideration given—and this has been mentioned before, Mr. Speaker—to the reduction in the number of our textbooks. On the shelves of my school today stand, under dust, large numbers of textbooks which I do not believe will ever be used again. They are too good to throw away, but every year we have additional textbooks placed in our schools. There seems to be considerable confusion as to whether they are authorized texts or whether they are approved texts, but something should be done in this respect.

I would like to see, from a personal point of view—and I have talked this over with many people, Mr. Speaker—a reduction in the amount of work or the number of topics to be covered under our present school curriculum. It has become altogether too crowded, and I speak again from a practical point of view. I have discussed this with teachers, I have discussed it with inspectors, and I think we all feel the same. We are forced as teachers to go at a terrific pace from the opening of school in the morning to the closing of school at night in order to crowd this work into the school programme.

The result, I feel, is that the pupil is not getting the skill, the depth of learning, that is required to fit him for his future life.

The result has been, Mr. Speaker, that those basic subjects—and maybe I have a tendency to be reactionary, I do not know, but I do not want to feel that way, I feel that our educational system must progress and we must adopt new ideas—but I also do feel that our basic subjects of reading, spelling and mathematics are suffering at the expense of fringe subjects.

Reading, in particular, is suffering. The result is that we are hiring today, at extra cost to our schools, teachers to teach remedial reading.

It is unnecessary, absolutely unnecessary!

I am glad that this government, so I understand, is taking some action in respect to readers, in the junior grades particularly. I hope we get away from this "Run, Spot, run," "See John jump" type of reading. If we have to go back let us go back to those basic policies of at least having some continuity to the story.

In summarization, Mr. Speaker, I would like to see our present-day readers, in order to correlate some of the more optional subjects, teach some of those basic virtues which should mean so much in our everyday life. These, I feel, are not being included

in our present-day readers which we have copied from our American friends to the south.

Let me point out that this all started back in the last Liberal administration. With everything else, they threw out the educational system as well. All one has to do is to go back and trace the records and he will find where the change came. Was there nothing good in the old system at all? No, they threw it all out.

But the demand for skilled workers and higher academic standing, and the increasing use of automation, make it absolutely necessary and imperative that our education be placed in a paramount position in respect to the other elements of our economy.

And as these conditions place an ever-growing responsibility on the teaching profession, the greatest consideration I feel should be given, Mr. Speaker, to the selecting of the members of the teaching profession. Not only must they be selected from an academic point of view, but they also must be chosen for their qualifications as to personality and qualities of leadership. Degrees and high academic standing do not necessarily make a teacher.

In order that the intellectual resources of our young people be fully developed to meet this changing world, the future of the teaching profession must not only be considered as that of another profession, Mr. Speaker, but it must be considered as the most important profession in our country today.

Mr. V. M. Singer (York Centre): Mr. Speaker, on joining in on this debate at this time, I want to go along with the other hon. members of the House and compliment you, sir, on the way you fulfill your high and important office and on the impartial way in which you conduct the affairs of this Legislature.

Earlier in the proceedings this afternoon, my hon. leader (Mr. Wintermeyer) rose on a point of personal privilege and expressed his comments in connection with a certain newspaper item that appeared yesterday afternoon.

May I say, sir, on behalf of myself—and I know that I speak for all of my 21 hon. colleagues here—we have complete and absolute faith and support absolutely our hon. leader in his present position. And lest anyone take any solace out of writing misleading and ridiculous headlines and quoting unnamed sources, let them hear what we have to say, each and every one of us.

We have one hon. leader, we support him and we know that he will be the next Prime Minister of this province.

Now, Mr. Speaker, I am sorry that my turn to speak came at a time when the hon. Prime Minister (Mr. Frost) found it necessary to leave in connection with a function at York University. I am sorry too that the hon. Minister of Planning and Development (Mr. Nickle) is absent, because he made some remarks about me earlier on in the session that I want to reply to now.

However, we do not have the privileges the hon. members of the government have, and we are not able to rise as we want to and make statements before the orders of the day. We just have to take our chances as they come to us. Well, as the hon. Minister of Municipal Affairs (Mr. Warrender) says, it is perfectly legal and I know the hon. Minister would not do anything that was illegal.

I just say, Mr. Speaker, that strangely enough the rules of the House are such that we could listen for 2.5 hours to certain announcements and statements of grave importance and not one of us on this side of the House can reply to the hon. Minister. I do not think, though it is perfectly legal, that it is a fair way of conducting the affairs of this Legislature.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): It has been done for 2,000 years.

Mr. Singer: It may have been done for 2,000 years as the hon. Provincial Secretary says—and perhaps his years are a little too long—but surely it is high time for a change.

An hon. member: Why did he choose 2,000 years?

Mr. Singer: It is as good a figure as any.

Interjection by hon. Mr. Macaulay.

Mr. Singer: If the hon. Minister of Energy Resources (Mr. Macaulay) will bear with me—I was not going to do this earlier on—but if the hon. Minister will just bear with me for a moment—

Hon. R. Macaulay (Minister of Energy Resources): Is that a missing file?

Mr. Singer: Well, this is not a missing file. I am going to tell the hon. Minister what is in it.

When the hon. Minister of Energy Resources was giving his estimates, I asked him about the question of fissionable materials and the dangers that resulted to firemen and civil defence people because they were not getting adequate notice. Hon. members remember, I am sure—and if the hon. Prime Minister were here he would remember too—that they just pooh-poohed the whole idea and said there was nothing in it.

The hon. Prime Minister, I recall, on 3 or 4 occasions said: "Name one place where such fissionable materials are in existence." Now I am sure that the hon. Minister of Energy Resources reads the papers very thoroughly and has clippings—including the same clipping that I am going to refer to here now—which was in the *Toronto Globe and Mail* of December 30, where the head on the story written by one Jean Howarth says: "Firemen Say Notice Lags of Radioactive Hazards."

The story goes on at quite great length, quoting firemen and their complaints about the lack of notice that they get.

So I draw this to the attention of the hon. Minister and ask him perhaps to pay a little more attention to what was said at the time he gave those estimates and perhaps be prepared to tell the House what he proposes to do.

I may say this as well, Mr. Speaker, that subsequent to my remarks and the hon. Minister sloughing off the problem; and the remarks of the hon. Prime Minister about: "Name one. Name one!"; I was in receipt of a letter from the North York firefighters' association and this is what they said:

Relative to your statement in the Legislature Thursday, December 8, regarding the marking of fissionable material used in plants throughout Ontario, that the members of the North York firefighters' association, local 752, concur with you that this condition should be revealed and acted upon.

We thank you as firefighters for your concern regarding this hazard of radiation exposure in our profession. We commend your stand. The attempts to belittle you were unjustified because your suggestion is basically necessary.

For your information there were 5 definite handlers of radioactive material within the boundaries of the township of North York. These are the locations that have been catalogued and there is a possibility of others of which we have no knowledge.

These are:

The Connaught Laboratory; Electronic Associates, 4616 Yonge Street, Willowdale; Rothman Cigarettes, 75 Dufflaw Road; Carswell Company, 245 Barclay Drive; and a residence shown as 92 Cartwright Street (a transit company).

Within our department we have received information periodically from the fire marshal's office advising us of material in transit through the township. However, even this has stopped. As far as we can determine, the fire marshal's office does not receive any information regarding shipments of this material crossing the United States border. This of course should be corroborated by that office.

We believe this is a provincial responsibility. Your stand is right and justified. It is necessary that this situation be reconsidered and we trust that a satisfactory policy of controlling and marking all hazardous material being used or in transit will be established.

I commend this to the attention of the hon. Minister and suggest to him that there are a lot of people who are seriously concerned about this, as is shown by this news story to which I have made reference, and as is shown by this letter from the North York firefighters' association.

Now, Mr. Speaker—oh, the hon. Minister of Planning and Development is back so I can go on with this part.

Well, good. I am glad. I am very pleased.

Since this session has commenced, Mr. Speaker, and somebody talked about missing files—and we are going to come to that very shortly now—many words have been uttered about Royal commissions. The hon. Prime Minister in particular has taken the Opposition to task about its conduct, whether the conduct was actual or imagined. In one of the most masterful presentations that I have ever heard made anywhere, he set forth his ideas of how we should conduct ourselves.

As I say, Mr. Speaker, I am sorry he is not here because I wanted to thank him for these views. It was very generous of him to tell us what he thought we should do and we will take it under advisement, as he is wont to do with so many of the suggestions we give him.

From time to time he has had the help of some of his hon. colleagues, but none can measure up to his standard of performance. I cannot help but think that he would have been more than grateful not to have the attempted aid of the hon. Minister of

Planning and Development. That hon. gentleman, as is his wont when he rushes to the aid of his hon. leader, usually gets things all mixed up and rear end to, and that is what he did on this particular occasion.

In an effort to pursue a point made by the hon. Prime Minister—which I am sure the hon. Minister did not understand—he suggested I had breached the barrister's oath.

Hon. W. M. Nickle (Minister of Planning and Development): I still do.

Mr. Singer: Well, all right. I am just going to read the barrister's oath and then we will see whether the hon. Minister can understand the point the hon. Prime Minister was making or the point I am trying to make, although I do not have too much hope about that either, Mr. Speaker.

The point the hon. Prime Minister makes is worthy of an answer, and I will deal with it after I have dealt with the hon. Minister. But it is worth just a few minutes of the time of this House to attempt, if possible, to clear up the confused mind of the hon. Minister.

The barrister's oath reads as follows:

You are called to the degree of barrister to protect and defend the rights and interests of such of your fellow citizens as may employ you. You shall conduct all cases faithfully and to the best of your ability. You shall neglect no man's interest nor seek to destroy any man's property. You shall not be guilty of maintenance or champerty.

You shall not refuse causes of complaint reasonably founded, nor shall you promote suits upon frivolous pretences. You shall not pervert the law to favour or prejudice any man, but in all things shall conduct yourself truly and with integrity. In fine, the Queen's interest and your fellow citizens' you shall uphold and maintain according to the constitution and the law of this province.

All this I swear to observe and perform to the best of my knowledge and ability, so help me God.

And this, Mr. Speaker, is the oath that is administered to every one who is called to the degree of barrister at law.

All this I say I was observing and performing to the best of my ability—together with the hon. Mr. Roy Kellock, a former justice of the supreme court of Canada, who was the counsel of this party at the Sarnia land inquiry; together with Mr. Frith, a prominent and honourable solicitor—when in keeping

with our concept of what is client's privilege, we refused to betray a client's trust and acted in accordance with his instructions.

Mr. Speaker, this is something that, of all hon. members in this House, the hon. Minister of Planning and Development should have been fully aware.

What is a client's privilege? It is the practice of our profession and a part of the common law of this country—and the hon. Minister should know this as well as any one in this House—that allows a client to talk to his lawyer in absolute confidence. No ethical member of the bar will betray that confidence or betray his trust, nor reveal any information so received save with the knowledge and consent of his client.

The hon. Minister knows this, or he should know it. It is the same concept, Mr. Speaker, that ensures that no doctor will betray his patient's confidence, nor any minister of religion his congregant's confidence.

If this is what the hon. Minister was trying to get at, then I say the hon. Minister's concept of legal ethics is sadly misplaced and he just does not understand even the barrister's oath.

Where then lies the discussion? It stems from the hon. Prime Minister's suggestion that, on becoming a member of this Legislature, lawyers owe a higher duty than this, a higher duty than that set out in the barrister's oath—a higher duty that is generally accepted in that profession—that in a case such as this, notwithstanding my client's privilege, and notwithstanding his instructions, I should break his confidence, break my barrister's oath, and reveal information he had given me which he had instructed me not to reveal.

That I did not choose to do, Mr. Speaker. And in making this decision I say that I acted properly and honourably.

It is, perhaps, more than a coincidence that if, at the time of the hearings of the commission, anyone thought that my conduct should have come under question or review, neither the commissioner nor the commission counsel, nor any one of the numerous counsel who were present, suggested or bothered to call me as a witness. I say this because, as the hon. Prime Minister pointed out, I was there and everyone knew I was there. I was there on practically every day of the hearing.

Hon. Mr. Macaulay: Now, that is a complete misstatement to this House. The hon. member is recorded as being—

Mr. Singer: Mr. Speaker, I am speaking and I have a right not to be interrupted. If

the hon. Minister has anything to say I would prefer that he would ask his questions in the proper way, and in due course perhaps we will deal with them.

Hon. Mr. Macaulay: I am rising on a question of privilege. I want to refer, to the committee on privileges and elections, the truthfulness of the statement made by the hon. member that he was present upon every occasion when the commission sat. We will check in *Hansard* tomorrow.

Mr. Singer: Mr. Speaker, I said before and I say again that it was known to the commissioner, to commission counsel, to the other counsel who were present, that I was in and out of those hearings on most days that they were sitting.

Mr. Speaker, it may be that this is not the sort of thing the hon. government members like to hear, but it is in fact the truth. I was available at all times, and should any one—and red herrings are no good—should any one of these people have thought—the commissioner, the commission counsel or any of the various counsel who were there—my conduct should have been called into question, not only did they have a right, but they had the duty, to call me as a witness. Certainly I was available and I would have appeared without the necessity of a subpoena. So it is more than a coincidence, I suggest, Mr. Speaker, that no one suggested during the commission hearing that I be called as a witness and asked to explain my position.

Hon. Mr. Macaulay: We will deal with this tomorrow, the hon. member realizes that.

May I ask the hon. member a question?

Mr. Singer: No.

Mr. Speaker, I want to refer the House to several extracts from the transcript of proceedings taken at the hearings of the Royal commission—I think these are important—and particularly to the remarks of the commissioner made at the time this evidence was taken.

The first one appears at page 2221. The pages of the transcript are numbered consecutively so it can be located. Actually it is in volume 12. Commencing at line 14 the transcript reads like this:

Mr. Sedgwick: Mr. Commissioner, I had not known that Mr. Borins was going to say what he just said. Indeed I had not known he was going to say anything at all, but I must say that as counsel for the commission I feel a little badly because it

would now appear that the missing and very important file left the possession of Linden and Gordon some time before April 25 or 26, and at that time when Mr. Gray was examined it would seem to be clear that the file was in the possession of either Mr. Frith's firm or Mr. Frith's client. Certainly it would have been helpful if that file had been produced at the time when Mr. Sigler gave his evidence and at the time when Mr. Gray gave his evidence.

It would have been helpful to me, speaking personally. I am a little afraid that some people may think that I was at pains to conceal the file whereas the fact is I did not know of its existence until quite late in the inquiry, and until this morning I did certainly not know of its whereabouts.

Now those remarks, Mr. Speaker, come from Mr. Sedgwick, and I think they are sufficient to set completely at rest the suggestion that hours were wasted and that expense was made in looking for the file, because the commission counsel says on the morning it was introduced he did not know where it was and he does not want anyone to blame him for not having found it. Mr. Sedgwick continued:

It is clear, I think, that my friend's office had access to the file at least late last week and probably all of last week—

Again these are Mr. Sedgwick's words and through them the several weeks when the file was supposed to be known is reduced, in Mr. Sedgwick's words, on page 2222, to just a few days. He continues:

—and had a chance to study it over the weekend, whereas I am in the same position as Mr. Borins, except that I am in point of time two hours later because I did not see it until it was produced in this room. And only at this noon hour did I have a chance to read it.

I did read it during the noon hour, but until then I was really ignorant of the contents except to the extent that Mr. Kellock had read from the file.

Now I do think that it would have been helpful if the file had been produced as soon as it was discovered, and I think it is a fair presumption that it was discovered by some of my friends before April 27 because the change of solicitors is dated April 27.

And the hon. member for Woodbine (Mr. Bryden) interjected a remark which was not completed. Mr. Sedgwick says: "I wasn't

referring to you" and Mr. Bryden has another remark and Mr. Sedgwick again says "I wasn't referring to you."

And Mr. Kellock has this to say, which I think is important, Mr. Speaker. I quote:

Well, Mr. Commissioner, I will tell you all I know about the matter and it is this:

Some days ago before Mr. Gray appeared as a witness Mr. Frith and myself were consulted by Messrs. Penturn and Salsman with regard to the claim which they had or thought they had against Ray and Sigler which was then in litigation. We were asked to advise on it.

This file was there at the time as produced this morning. In addition to that there were suit papers and correspondence such as it was in connection with the actual litigation. In advising Salsman and Penturn with regard to what I thought as to the merits of their claim against Ray and Sigler, I saw the particular document of January 16, 1959, and its pertinence to this inquiry of course struck me at once. I asked the liberty to use it.

And this, I would suggest to the hon. Minister of Planning and Development, is the proper and ethical way in which the solicitor conducted himself. He continues:

This document was there as far I was concerned and the privilege was there. I pointed out to them that unless it were given to me or made available to me for submission to the commission I would not act for them and could not act for them in the litigation. They were reluctant to do it, frankly, because as they said, that particular aspect was collateral to their claims in Ray and Sigler.

Mr. Mackinnon interjects there with a remark that has no great pertinence here.

Mr. Kellock goes on:

I am sorry—against Ray, there was a question against whom the collateral claim might be—no, that is not right, I was consulted about a claim against Ray and Sigler, and they considered that the document was collateral to such a claim, but I pointed out to them that in my opinion if that litigation went on to trial, that the documents might have some significance, some use, even from the standpoint of cross-examination.

However, they preferred not to produce it at that time and I was therefore unable to produce it to the commission. Mr. Frith and I were in the same position.

However, I was given permission to use

my knowledge of the existence of that file which I did before this commission and then in that way the document was in fact traced to Messrs. Penturn and Salsman. Then I saw Penturn and Salsman again yesterday and I again desired to be able to present the document but they preferred to do it in their own way, they preferred that it should go back to the company. I suggested Mr. Sedgwick, I suggested myself, I suggested Mr. Frith, but they suggested it go back to the company for production to the commission, and that is what happened.

Then Mr. Frith interjects. This is rather a long quotation, Mr. Speaker, and I am just going to skip on a bit over here to page 2226. If any of the hon. members would like to examine this transcript at greater length, I certainly would be happy to make it available to them. Mr. Sedgwick goes on to say—then to make the matter even a little more mysterious, if you will look at your transcript, when Mr. Gordon was cross-examined by Mr. Kellock—I am looking at page 2111, commencing at the bottom of that page, and I do not intend to read it, but certainly the whole cross-examination gave me the impression that Mr. Kellock was endeavouring to find the whereabouts of the missing file. And then Mr. Sedgwick proceeds to read extracts from that cross-examination. And Mr. Kellock comes back with this at page 2228:

There is one thing I did not mention. On the first occasion when that file was made available to me, I took the position that I have mentioned to you with those people, that the file was handed back to them, and as I have said I was given permission—the privilege of the client was waived so far as to permit me—to place it before the commission. Apart from my efforts in that respect, that file I think would not be before the commission.

Now I consider that I have acted properly throughout, in accordance with my position as a member of the profession in the discharge of my duty here, to clients who consulted me and for whom I refused to act, so long as this thing was in the way, and if there is any implication in Mr. Sedgwick's remarks made just now I resent it completely.

Mr. Sedgwick: No, there is no—

And this is something that the hon. members, the hon. Prime Minister and the other people who have been inserting caustic remarks from time to time about the missing file should

have borne in mind, and this is from the commission counsel:

Mr. Sedgwick: No, there is no implication, Mr. Kellock—but I do think, at least I can only say for myself—that your cross-examination of Mr. Gordon left an impression in my mind which, as it turns out, is not quite the correct one or the impression that I should have had. I was just thinking, Mr. Kellock, that I do not know what privilege does extend to the file. They are not communications made by Penturn and Salsman to anyone.

—and so on.

And then we come back and there is a discussion about whether or not the file is privileged, and we get down to this, at page 2230—there is something else for which my hon. friends should be sorry—and this is after Mr. Sedgwick has apologized and said at page 2230:

As I understand it, the law of privileges is not confined, as my friend suggests. Here were documents handed to me when clients came to consult me in a professional capacity. When I said I could not act for them under the circumstances, I gave them back.

Now my understanding is I was not free to disclose anything without consent with regard to that interview, with regard to the contents of the file, or anything else. I got as much freedom from privilege as I could and that enabled me to use my knowledge of the existence of the file to place it so that it could be produced before the commission.

And Mr. Sedgwick again at 2230:

Yes, I think that may be so.

So that the commission counsel agrees that what Mr. Kellock had said was right, and I would rather accept the opinion of the commission counsel—

Hon. Mr. Nickle: The subject is not the hon. member.

Mr. Singer: Well, if the hon. Minister will just be patient, I am going to read this, because it is awfully hard getting through to the hon. Minister of Planning and Development, he just does not understand these things too well. So I am going to labour this point a little longer and read some more extracts to him so perhaps he will understand.

Hon. Mr. Nickle: These ethics I do not understand, I must confess.

Mr. Singer: To continue:

Mr. Sedgwick: Yes, I think that may be so.

Mr. Kellock: Not only may be so, it is so.

Mr. Sedgwick: Well, the file is here.

And the commissioner says at this point—and remember, Mr. Speaker, the commissioner has been sitting there supervising this whole thing and undoubtedly he must agree with those conclusions that have been arrived at—he says this:

I might add this, as I understood when we adjourned, did we not have an undertaking when we adjourned on Friday the file would be produced?

And then at the bottom of page 2231, the commissioner:

Well, throughout this investigation from start to finish, an effort has been made to get these records that belong to Dimensional, we have gone from pillar to post with them. I feel that commission counsel has sought to try and get them here—

Hon. Mr. Macaulay: Maybe the hon. member would like to reread that and put proper emphasis on it. He said “from start to finish of this Royal commission we have been trying to get that file.”

Mr. Singer: Mr. Speaker, if I may continue. It is unfortunate when some of this is getting through and rubbing these people the wrong way—

Hon. Mr. Macaulay: It is not rubbing anybody the wrong way—reread it.

Mr. Singer: However, on page 2232, the commissioner said:

Now I do not think anyone deserves any great credit for producing the file. We only got it here after trying for a long time to find it from every source.

All of this is on the record for what it is worth, and now we will carry on.

At page 2251, another very important exchange takes place that highlights this whole file business, and this perhaps—page 2251, Mr. Speaker. Mr. Kellock at line 19 says:

Mr. Commissioner, would you grant a short adjournment at this point?

The Commissioner: For what purpose, Mr. Kellock?

And this is where the whole issue is decided

for the benefit of the hon. Minister of Energy Resources. I continue to quote:

Well, now, I think, sir, I would like to know, in view of what has passed a little earlier and what Mr. Sedgwick said, and the explanation I made, as to whether you, sir, considered I departed in any way from the high standards resting upon me as a member of the profession.

The Commissioner: I think it is very unfortunate that the records came into Mr. Frith's hands here and the hands of his firm in that fashion. And the commission counsel in any event was not made aware of what was likely to come up this morning, if not Mr. Borins who was looking after Dimensional. But you have made your explanation. I accept your explanation.

Hon. Mr. Macaulay: And that was the proper thing for him to do.

Mr. Singer: I continue:

Mr. Kellock: Because otherwise I would not care to continue, Mr. Commissioner—

Hon. Mr. Macaulay: That is the point.

Mr. Singer: The report goes on:

Mr. Frith was sitting here when the notice of change of solicitors was served on his firm, as he told me at the time—with no knowledge it was to be so—that he could only conclude from the fact he had not been told, that it had not been served first on his firm, that clients were accepting the condition that had been laid down which was, as we said, we would not act for them unless the file or the document were forthcoming.

As I explained to you, that apparently was not their understanding and I was not free to use my knowledge in any way, as I understand my duty as a barrister and my duty to the commission, I was not free to use it in any way except in the way I have used it to lead to this production. If you thought—

And the commissioner interrupted at this point and said:

I do think if it was going to be used, to go part way, if permission is to be given you to ask about it, to increase the mystery into where it was or the difficulty we had getting it—maybe it did not increase the mystery, perhaps I should not have said that—but in any event if the permission was to be given that far, I think permission should have gone the rest of the way if it were to be used in the commission.

Mr. Kellock: Mr. Commissioner, you will recall that the last witness, Gordon, told the commission the file was in the possession of Penturn and Salsman. As far as I know, that is absolutely not so. No effort was made by anybody on behalf of the commission, as far as I know. Mr. Sedgwick made no effort to subpoena them.

Mr. Sedgwick: I do so now. I did not know, Mr. Kellock, until Friday. I read what you and Mr. Frith had said, that he would inquire of the location of the file and produce it, so why would I subpoena Penturn and Salsman? I agree with you there is considerable mystery as to where the file has been. I will agree that Penturn and Salsman should be subpoenaed.

Mr. Kellock: I am not talking about that at all. I am talking about things past. I want it perfectly clear and if it is not accepted—

And this, Mr. Speaker, is come back to time and time again in the results of this inquiry. And that is why I say it is all the more shameful that the hon. members on the benches opposite—the hon. Prime Minister with the great drama that he read into one paragraph of this report, leaving the last line until he had read the first 3 sentences before that 4 times—it is definitely unfair and gives a bad impression to the hon. members of this House and to the members of the public, because the whole story was not being told. This is the story:

I want it perfectly clear, and if it is not accepted I do not see how I could have anything further to do with this inquiry. I consider, and I think I am right, that I have no right to waive any privilege as far as my client is concerned except insofar as I was given it. And I was given it, and let me explain, which I maintain has resulted in the production of this file.

Now, sir, if you have any feeling that I in any way failed here, I would like to know it now. I cannot possibly think that I did.

The Commissioner: I do not feel I am qualified to make a decision on that. You were obviously placed in an unusual position and you acted properly.

Hon. Mr. Macaulay: That was the hon. Mr. Kellock, not the hon. member. That had nothing to do with the hon. member whatsoever.

Mr. Singer: And said Mr. Frith:

It cannot affect at this stage the result of this investigation one way or another. The information is here now and we can proceed from here. It would be most unfortunate if you choose to withdraw from this investigation at this time.

That is the end of that quotation.

Now, Mr. Speaker, the hon. Minister of Energy Resources has been very anxious to have me associated with this position, and that in fact is done at page 3901, line 1, and I am going to read from that now:

Mr. Kellock: In answer to my friend Mr. Borins, in the course of his argument he came back to the question of the file and again contended that I and Mr. Singer—who was consulted as a solicitor, the same as I was—ought to have disregarded any scruples we had in regard to the privilege of our client and put that file in.

Well, I cannot accept that. That is not the function of a professional person to do that sort of thing. My friend's argument seemed to be, if we had been free to produce it the use which should have been made of it would have been as soon as Mr. Gray appeared in the box and was made available for cross-examination, one would have said: "Here is the letter."

The Commissioner: Well, I was not as concerned in the argument with whatever the rights or wrongs might have been as to why it was not produced, but more with the fact that it was not in the hands of apparently . . . Sigler and Ray—

and refers at page 3902 to his opinion that this bears out certain opinions that he had about the credibility of the evidence.

There it was raised again, Mr. Speaker, and again the commissioner accepted that argument from Mr. Kellock—and for the benefit of the hon. Minister of Energy Resources, my name is associated there and that is the decision of the commissioner in regard to that.

If that was not enough, Mr. Speaker—I am unable to give the same drama to one paragraph of this report the hon. Prime Minister was able to give when he read it—if that was not enough, at page 131 and 132 of this report, when the commissioner comes to deal with this—the hon. Prime Minister has already read this into the record but I am going to read it again. He starts off saying:

No members of the government were indicated to have any connection with either Dimensional or Hydro negotiations,

the only two members of the Legislature being named throughout the inquiry being Liberal members. From one of these, Mr. Vernon Singer, the Dimensional file, about which there was so much difficulty and which had been sought in vain, eventually came, he having had it in his hands in a professional capacity for approximately two weeks.

Well, the question of two weeks or a few days really is not important. The important thing is this, Mr. Speaker, when at the end of the first paragraph on page 132 when the commissioner is reporting, in his report he says this:

There was no impropriety in the actions of any of these men.

Now, those are the important words. And the hon. Prime Minister knew those were the important words, and the hon. Minister of Energy Resources knows those are the important words, and they are borne out in the transcript, not once but 4 times. As for the hon. Minister of Planning and Development to get so mixed up that he does not know what he is talking about, and for these snide remarks to come from the other hon. Ministers, Mr. Speaker, I say I am surprised that they will try to twist and turn and squirm to drag red herrings across the trail to try to prove something that was not so, to hide what actually happened in this inquiry.

Now, Mr. Speaker, there is another point I would like to deal with in respect of this Royal commission. I would ask the hon. Minister of Energy Resources to pay a little attention because it is a somewhat complicated point and he explained it to the House on one occasion when he spoke in that 3-hour speech he gave. I asked him a further question about it. He accepted it as notice on December 1, but he has not as yet given any answer.

As you know, one of the main criticisms directed in the House against Hydro—prior to the hearings of the commission, and subsequently at commission hearings—was the suggestion that Hydro should have expropriated the land rather than having anything to do with agreements to purchase. There are two points of time, Mr. Speaker, at which this suggested expropriation could have taken place: the first time before Her Majesty the Queen in right of Canada had entered into an agreement with Dimensional, and the second point of time after the agreement had been entered into.

In regard to the first point, Hydro argued

that the responsible hon. federal Minister of the Crown would not have given her consent which was a necessary condition precedent to such an expropriation. Whether she would have or whether she would not have, we never found out, because she was never asked. The commissioner says that he does not think she would have, but the point is that Her Majesty the Queen was never asked and the opportunity for asking her had long since gone.

However, there is a second time when expropriation could have taken place, and Hydro said—and the hon. Minister repeated in this House—that they had sought an opinion from their own solicitor, and he had given them a verbal opinion that expropriation could not have taken place subsequent to the signing of the agreement because specific performance would not have been allowed because of the role of the Crown in the matter.

The hon. Minister, you will recall, Mr. Speaker, quoted at length the written opinion of Mr. C. F. H. Carson, Q.C., most prominent and esteemed lawyer, leader of our profession in this province. He asked us on several occasions whether we thought Mr. Carson was a poor lawyer, and I do not think there is any one of us who would have anything but the utmost esteem for Mr. Carson's opinion.

The interesting thing was that Mr. Carson's opinion was sought some 3 months after the whole thing had been over and his opinion was given after the whole matter had passed out of the possibility of action. And then the hon. Minister got from Mr. Carson a written opinion which is included in the addenda to this report, saying that the expropriation would not have been possible—that is the second point—because there was no specific performance being able to be obtained against the Crown federally.

The commissioner accepted this argument and refused to hear arguments on this point of law, he having concluded that Hydro had acted reasonably in this regard. That is at page 114 of the report.

A further criticism was then levied against Hydro by the hon. member for Woodbine, Mr. Speaker. He suggested, in connection with a portion of land that Hydro was not able to obtain, that a holdback of \$25,000 was not sufficient, that there should have been a holdback of \$50,000. And the commissioner at page 122 of the report said, after saying that the holdback was sufficient:

The worst that can happen so far as Hydro is concerned is that, in the event of

trouble, it may be necessary to bring an action against Dimensional to require specific performance. But even in those circumstances enough money appears to have been held back to cover any cost that would be incurred.

Surely, Mr. Speaker, even though this is a somewhat complicated legal point, there is an obvious inconsistency in these two opinions. You cannot in one breath say you cannot expropriate because you cannot get specific performance, and in the next breath say that a holdback is sufficient because if the worst comes to the worst you can get specific performance.

Hydro has apparently decided to try to get the best out of both answers. In the process, it seems to have discarded the opinion of its own solicitor—the verbal opinion which was referred to—and also the opinion of Mr. Carson. A few weeks ago it apparently came to the conclusion that the worst had come to the worst and it commenced an action in the supreme court of Ontario by writ No. 8710 against Dimensional Investments Limited asking for, among other things, specific performance.

On December 1, Mr. Speaker, as I mentioned, I asked the hon. Minister of Energy Resources in what I admit was a somewhat badly worded question—I discussed the wording of it with him later and he said he had understood the point I was getting at—for an explanation. He has taken my question as notice and we have not received an answer as yet.

But I wonder how Hydro, if they are right, can be right on both ends of the same problem, just how they can accept conflicting opinion—

Hon. Mr. Macaulay: It is not the same problem and the opinions are not conflicting in anyone's mind but that of the hon. member.

Mr. Singer: It is rather interesting, Mr. Speaker, if the hon. Minister believes it is not the same problem, that he sat on it since December 1 and has not seen fit to advise the House how the two things can be reconciled.

Again I say I am sorry that the hon. Prime Minister is not here. But I think there is a further point raised by him in connection with Royal commissions which I believe deserves some comment.

He stated that in his opinion it was reprehensible on the part of Opposition members

and Opposition parties to appear as principals at a Royal commission hearing. His reasoning seemed to me to be that, since he appointed the commission and the commission counsel, we must agree that commission hearings are bound to be properly conducted and would inevitably bring in a correct report.

I am not too sure that I can go along with this, Mr. Speaker. I know that it is going to be suggested I am criticizing the integrity of the judiciary in those words but that certainly is not what I am doing. I do not want it to be understood, for one minute, that I am suggesting that any of our judges are biased or partial. I say they are all honourable men and fair men and just men.

But sometimes it is possible—being human beings—as you and I are, Mr. Speaker, that they can make mistakes.

Nor am I satisfied that the hon. leader of the government should have the exclusive right to choose commission counsel. In my opinion, as long as the present method of selection of Royal commissions continues, not only do Opposition members and Opposition parties have a right—they have a duty—to appear before such bodies and to seek out such information as they can seek out. We too are elected members, we too have a duty, and the duty is not all on that side of the House. We on this side are not prepared, Mr. Speaker, to accept those people as being impartial.

Hon. Mr. Macaulay: But the hon. member's duty was to hide the file, even though his duty as an elected member of this House was to produce it?

Mr. Singer: Well, Mr. Speaker, it is a pity that as clever a gentleman as the hon. Minister of Energy Resources did not absorb the extracts from the evidence that was read and the full discussions that took place and the final conclusion made by the commissioner. If he wishes to place himself over and above that, that then is his privilege and the people of the province will be able to judge who was right—the commissioner, the counsel who were there, or the hon. Minister.

Hon. Mr. Macaulay: Has the hon. member not just finished criticizing the commissioner? He said he was wrong in his conclusion.

Mr. Singer: Yes, I said in that particular conclusion I thought he was wrong.

Mr. Speaker, I am sure the hon. Minister could bear with me, as we have borne with

him many an hour during the session, and let me get on with some of my remarks.

Hon. Mr. Macaulay: Well, get on, we have been waiting for 55 minutes.

Mr. Singer: As an alternative to the present method of selection, I throw this idea out for the consideration of the government. Where it is decided to appoint a Royal commission, let the chief justice be asked to appoint the judge. I think we would all agree that that is an eminently fair way of doing it. Where it is decided to appoint a commission counsel, let the leader of the Opposition, whoever he might be, be asked to supply a panel of counsel and let the commission counsel be chosen from that list.

If the government wants to convince us and the people of this province that they are impartial, let us try some other idea that will lead us to believe that we are having impartial Royal commissions and impartial counsel looking after them, and then we might not be quite so anxious or feel it quite so important that we appear as parties or individuals to watch and to participate in proceedings of Royal commissions.

Hon. A. K. Roberts (Attorney General): Would the hon. member just allow me to ask a question?

Mr. Singer: Yes.

Hon. Mr. Roberts: At any time during that Royal commission, was there a refusal by the commission, by the counsel for the commission, to put before the commission any questions or any evidence that was presented to him?

Mr. Singer: No, sir; no sir, I would say there was not. To the question of the hon. Attorney-General, I must state that there was not. But that is not the point I am making.

The point I am making is this, Mr. Speaker, the hon. Prime Minister has certainly gone out of his way to leave the impression with this House and with the people of the province of Ontario that, because he has appointed a Royal commission that it must be impartial, that we have no right to appear there and we should be ashamed of appearing there, and—

Hon. Mr. Roberts: No, he did not say that. You could appear as a witness, and you could use different counsel to put forth any

position you want to put forth, if it was proper to be put forth, or you could use the counsel that was employed.

Mr. Singer: Mr. Speaker, I am very glad to get this admission from the hon. Attorney-General because the hon. Prime Minister was saying something quite different. He was saying that we should not have been there at all. Now the hon. Attorney-General says, and I agree with him, that we had a right to appear there, and I think perhaps he would even go further with me, that we had a duty to appear there and see what was going on, and participate if we felt it was necessary.

That is the point I am making, Mr. Speaker, and I say the hon. Prime Minister had no right to criticize us because that is the very thing we did, and that is the very thing that the hon. Attorney-General is saying that we had a right to do.

Hon. Mr. Roberts: What the hon. Prime Minister said was that the hon. member went there and in effect acted as counsel while he was a member of the House, and the hon. Prime Minister took exception to that, and I think he was quite right.

Mr. Singer: It is amazing, Mr. Speaker, how the hon. members of the government want the best of both worlds—how they can take a remark and use it for any argument. Surely if they were consistent they would admit that some of the things that come from this side of the House have a little sense and a little intelligence and they would be prepared not to build this great halo around themselves, and say: "We are right because we are right because we have got 71 members." That is going to be changed.

Now, Mr. Speaker, there is a question that has come up on several occasions, and we have waited for some two years now for the report of a special committee on fluoridation. I gather from the press, sir, that there is some activity from that committee in producing its report.

I do hope that the government will see fit to bring it forth while we are still in session this time, so that the matter can be discussed and we can begin to ascertain whether or not the independence of municipalities that we have heard so much about in recent weeks will be respected; whether if the council of the municipality of Metropolitan Toronto decides by its elected members they would like to fluoridate its water, whether the independence of that municipality is going

to be interfered with or whether the province is going to allow them that privilege if they see fit.

Mr. Speaker, the hour of 6 o'clock having arrived, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Roberts: Mr. Speaker, I move the adjournment of the House, and the hon. Prime Minister has already indicated the business for tomorrow.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.

ERRATA

(December 12, 1960)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
447	1	22	Change to read: Mr. Bryden: Before you put the question
447	1	33	Change to read: Mr. Bryden: I am speaking of the amendment

(December 16, 1960)

614	2	35	Change to read: son and his family.
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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Wednesday, January 25, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, JANUARY 25, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden, from the standing committee on standing orders, presents the committee's third report and moves its adoption:

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Of the Roman Catholic separate school board of the town of Mattawa praying that an Act may pass authorizing it to expend certain funds previously raised by a debenture issue on certain specified school additions.

Of Université d'Ottawa praying that an Act may pass authorizing the appointment of the officers of the council of each faculty by the council of administration.

Of the corporation of the town of Burlington praying that an Act may pass authorizing grants to various institutions, associations or persons; and for other purposes.

Of the corporation of the city of Belleville praying that an Act may pass authorizing the Belleville transit commission to operate an exclusive bus system in the city.

Of the corporation of Ontario Ladies' College praying that an Act may pass continuing the college as a corporation without share capital; and for related purposes.

Motion agreed to.

Mr. Speaker: Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move, seconded by hon. J. N. Allan, that on Friday next and each succeeding Friday for the present session, this House will meet at 10.30 o'clock a.m. and that rule No. 2 of the assembly be suspended insofar as it may apply to this motion.

In presenting this motion, if any of the hon. members would like it to stand over it will be satisfactory, but I think that is the procedure we have followed in the past.

Motion agreed to.

Mr. Speaker: Introduction of bills.

ONTARIO MENTAL HEALTH FOUNDATION

Hon. M. B. Dymond moves first reading of bill intituled, "An Act respecting the Ontario Mental Health Foundation."

Motion agreed to; first reading of the bill.

MATTAWA ROMAN CATHOLIC SEPARATE SCHOOL BOARD

Mr. L. Troy moves first reading of bill intituled, "An Act respecting the Roman Catholic separate school board for the town of Mattawa."

Motion agreed to; first reading of the bill.

UNIVERSITE D'OTTAWA

In the absence of Mr. J. Morin, Mr. I. Haskett moves first reading of bill intituled, "An Act respecting Université d'Ottawa."

Motion agreed to; first reading of the bill.

TOWN OF BURLINGTON

Mr. S. L. Hall moves first reading of bill intituled, "An Act respecting the town of Burlington."

Motion agreed to; first reading of the bill.

CITY OF BELLEVILLE

Mr. E. Sandercock moves first reading of bill intituled, "An Act respecting the city of Belleville."

Motion agreed to; first reading of the bill.

ONTARIO LADIES' COLLEGE

Mr. T. D. Thomas moves first reading of bill intituled, "An Act respecting the Ontario Ladies' College."

Motion agreed to; first reading of the bill.

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, before the orders of the day I have an announcement here I should like to read to the House. Ordinarily this might come under the jurisdiction of the hon. Provincial Treasurer (Mr. Allan) but since it does have an impact on a segment of the agricultural industry, and a great deal of it has to do with activities in rural Ontario, I am presenting it at this time.

A great deal of consideration has been given to racing in Ontario over the past several years. In 1950 the Ontario racing commission was formed as authorized by the statute passed in that year. At that time the conditions on Ontario thoroughbred racing tracks were unsatisfactory. The Ontario racing commission, together with the high type of owners and high standards insisted upon on Ontario tracks, has created perhaps the best conditions and the best operated thoroughbred racing in America. That is saying a great deal.

First I should make plain that the authorization for betting on tracks for thoroughbred and standardbred racing stems from the criminal code of Canada which is a federal statute. This authorization is contained in section 178 of the criminal code of Canada, which is an exemption or exemptions—as set out in this lengthy statute—against the general prohibition against betting and gaming contained in other sections of the code.

The right to bet on these races at fall fairs is governed by the same statute, section 178. The position of the province is simply one of regulating this right and, through the medium of the Ontario racing commission, this was done.

This regulation involves an undefined area between federal and provincial jurisdiction. Betting on the racetracks of Ontario is authorized as stated under the criminal code of Canada and the use of parimutuel machines was required. At fall fair meets, however, by the same section bookmakers are allowed and it has been the practice in some rural areas to use books rather than parimutuels in betting on standardbred racing.

At the time of the institution of the Ontario racing commission, the standardbred portion of the horse-breeding industry, which is the part most closely related to Ontario agricul-

ture, was not on an organized basis. There was a considerable number of standardbreds in Ontario. The racing was done largely at fall fairs and, in many cases, the horses were shipped outside Ontario to race, notably in the northern states and the provinces of Manitoba and Quebec.

Extended meetings of standardbred racing commenced in Ontario in 1949 with racing at the Dufferin track and Thorncliffe in 1950. In this connection the Ontario racing commission intervened with regulations and control and, with this, the real development of the breeding of standardbred horses in Ontario began in a considerable way.

In the last 15 years registered standardbreds in Ontario have increased from 177 to 862 in 1959. It would appear that in the year 1960, 1,000 standardbred colts would be registered in the province of Ontario. At the present time there are 1,000 standardbred owners in Ontario.

During the same period, in this province, there has been a tremendous decline in the overall horse population. It has fallen from approximately 500,000 horses 15 years ago, to less than 100,000 today.

On the other hand, standardbred horses now constitute a considerable industry in agriculture. The breeding of standardbred means much to our agricultural industry. The breeding of horses is now primarily for racing purposes, mainly in the standardbred field.

The price of standardbred horses is quite startling. The average price in the United States is about \$3,500. In Quebec and Manitoba, where standardbred racing has developed on a much wider scale than in Ontario, the prices are higher than in our province.

At the present time, the Ontario jockey club is operating a 52-day meet at the old Woodbine raceway. This racing has been changed over the years from afternoon meets to ones conducted in the late afternoon and evening. This has proved awkward because of the diminishing hours of daylight in July and August.

Standardbred racing in both afternoon and evening—including under the lights—has always been permissible at the fall fairs of this province. This is an area in which the Ontario racing commission has not intervened. The commission, however, did intervene in the meets that were held at the old Dufferin and Thorncliffe tracks and currently at the old Woodbine raceway.

In the meantime, with the development of the standardbred industry a number of fall

fairs have become interested in standardbred racing and have made proposals to conduct meets on their own. These meets, of course, are and have been entitled to carry on both in the afternoons and evenings. In a great many cases where they have been carried on, they have operated under a parimutuel system.

The interest of fall fairs in racing comes partly from the wholly unsatisfactory situation concerning entertainment at these fairs. The urge is to substitute racing for such entertainment.

It is the intention of the commission to assume responsibility for all forms of standardbred racing in order to produce uniformity and for the purpose of bettering racing-condition standards. This with the growth of the industry would seem to be desirable.

It has therefore been determined:

1. To increase the present Ontario racing commission with the addition of two new members who will be Mr. Ronald Walter Todgham who has himself been interested in standard breeding, and is presently the president of Chrysler Corporation of Canada, and Mr. Clayton W. Hodgson, presently parliamentary secretary to the federal hon. Minister of Transport (Mr. Balcer), from which position he will retire. Neither of these gentlemen will take any part in Ontario racing.

At least for the time being it will be possible, and indeed desirable, to operate under one chairman. If the commission wishes, it may operate separately in so far as the membership is concerned, so that the thoroughbred matters will be dealt with by a committee under the chairmanship of the chairman and likewise the standardbred matters. Two separate commissions could be formed, but this is not necessary at the present time when the same organization and experience can be used in a unified commission.

2. Lights will be permitted on tracks regulated by the Ontario racing commission with the stipulation that no race or heat shall start after 9.55 p.m. local time. This will have some definite advantages, among them being that, while lights will be needed very little at certain times of the year, it will enable racing to be carried on at fixed hours convenient to both the public and the operators.

3. All fair boards interested in operating racing programmes should consult the Ontario racing commission concerning the regulations.

4. As has been stated, racetrack betting entirely arises under the authority of the

criminal code of Canada. Books are allowed at agricultural fairs. The commission proposes to do everything possible to encourage betting to take place under a parimutuel system.

5. The province has made available to breeders of standardbred horses throughout the province grants which will be in line with those presently made to the thoroughbred industry. This contribution amounts to 5 per cent of the purses.

6. Fall fairs contemplating carrying on race meets should make sure that racing facilities, tracks, stands, supplies, sanitary conditions, and so on, are in first-class shape. The facilities of the Ontario racing commission will be available to give advice, and certainly every effort will be made by the commission to insist that these facilities be in good shape.

7. Likewise, the Ontario racing commission will do everything possible to urge fall fairs to provide liability insurance for the protection of horsemen and the general public.

It can be stated that it is the intention of The Department of Agriculture, the government, and the Ontario racing commission to create the highest possible standards in the area of standardbred racing comparable to those now existing in thoroughbred racing to encourage this segment of the agricultural industry, to protect the public, and to eliminate undesirable practices.

There is no doubt that the standardbred industry in Ontario has developed over the past 10 years to a point where Ontario-bred horses and the industry itself is capable of standing up to all competition and holding its own with the very best anywhere.

With this background, I am sure that the farmers and breeders of Ontario will be interested in this statement.

Mr. F. R. Oliver (Grey South): Following what the hon. Minister of Agriculture has said, I think it should be noted at this time that this is another occasion on which the government has made a right-about-face. Never has there been an issue in my time—

Hon. Mr. Frost: This is a statement. This is not debatable. There will be every opportunity for the hon. members opposite to speak on this subject later.

Mr. Oliver: Might I ask a question if it is not debatable? And I want to say this, too, before I start, and this is not debating, this is absorbing, that is all. I just want to say—

Hon. Mr. Frost: No, no.

Mr. Oliver: If the hon. Prime Minister, Mr. Speaker, is going to pursue the habit day by day of having one of his hon. cabinet Ministers get up in this House and make a long statement on government policy without the Opposition having any chance at all—

Mr. Speaker: Order.

Mr. Oliver: If that is so, we are not going to take it lying down. I want to ask my hon. friend this question. Does he feel that he has these terrible United States gangsters corralled to the place where he can safely institute night racing? Does he think that now?

Hon. Mr. Frost: The answer is in the affirmative.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, before the orders of the day, I have a question that I would like to ask the hon. Minister of Education (Mr. Robarts), notice of which has been submitted to him.

In view of the hon. Minister of Education's assurance last spring that provincial education grants would be announced by mid-January, and since no such announcement has been made to date to the inconvenience of municipal budgeting, would the hon. Minister tell us when boards of education throughout the province can expect to be informed of the grants that they are to receive this year?

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, on January 13, 1961, the following memorandum was sent to the secretaries of all school boards throughout the province. I quote the memorandum:

In the spring of 1960 assurance was given to all school boards that the general legislative grants regulations outlining the basis for the calculation of the grants for 1961 would be in the hands of the boards by January 15, 1961, in order to permit them to prepare their requisitions to the municipal councils at an early date. Because of certain unforeseen circumstances it has become impossible to meet this commitment.

However, in full realization of the problems faced by the school boards and the local municipal councils, I can assure you that these regulations will be in your hands by mid-February.

This memorandum was signed by myself, and a similar notice was sent on the same date to all the public library boards in the province.

Mr. Newman: Mr. Speaker, would the hon. Minister permit a supplementary question? Would the hon. Minister give assurances to boards, now, that the structure on which grants are calculated will be maintained in such a way that boards will not be placed in a disturbing position similar to that they were placed in last year?

Hon. Mr. Robarts: Well, yes.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, before the orders of the day—and may I put the minds of our friends across the way at ease? This is not a statement of government policy.

I would like to draw your attention, and the attention of the hon. members of this House, sir, to the date appearing on the calendar. This is the first time in the 6 years I have sat in this legislative assembly that we have been in session on January 25. On this day, 202 years ago, sir, there flashed across the literary firmament, a man having his origin in Scotland, where my roots sprung. A man, as I say, flashed across the literary firmament with the brilliance of a meteor and left an incomparable impact on the world of his own time and indeed on the times of all mankind since.

Robert Burns or "Rabbie Burns" as we choose to call him, made for himself a place in the history of the world and the citizenry of the world; a place of very high honour and distinction. And although he lived only 37 years, it has been said of him many times that his poems and songs would be read and sung long after the psalms of David have been forgotten.

Particularly, I think, it is worth our while, in these days and in these times, to look at the life and times of Burns because we are trying, as legislators, to do many of the things which he tried to do as an individual in his day.

Indeed, he championed causes which legislators all over the free world are championing today. And I think that we should appreciate in this regard alone what Burns stood for. He had the ability to say things in the most direct fashion; to give birth to truths that have never been forgotten. Indeed I think we, sitting in this legislative assembly and legislators all over the world, might do well to read some of these.

One, for instance, that comes to mind is:

O wad some Power the giftie gie us
To see oursels as ithers see us!

—the interpreter is outside the door.

Then, on the other hand, for legislators I think we should remember, and particularly apropos of what the hon. member for Grey South said a few moments ago, "the best-laid plans o' mice and men gang aft a-gley." So governments change their ideas as people change their ideas. Scarcely a facet of life, Mr. Speaker, was neglected by Burns in his works.

I think that he rose to his greatest heights when he championed the cause of brotherhood and the dignity of the common man. Indeed, I doubt if his dissertation on the brotherhood of man—and perhaps I may be prejudiced—has been equalled. It certainly has not been outdone by any writer, speaker or poet since that time.

The dignity of the common man always lay close to him. Particularly in these days when we hear so much about bills of human rights, and anti-discrimination legislation, we would do well to recognize that in dealing with this, it is no new problem. I think if we review the works of Burns and review his life and his times, we might do well to ask ourselves if we are going about these things in the right way in these days. On the subject of brotherhood, of course his poem, "A Man's a Man for a' That" is well known to everybody, and is well worth reading.

I think, sir, that it is our privilege as members of the British commonwealth of nations to remember him. Indeed today Burns' memory will be recalled, his works will be sung and read all over the world, not only in the British commonwealth of nations. I think it is particularly fitting that we here in Canada—populated in large part by great numbers of people who have made a new home for themselves in this land—remember today we observe the 202nd anniversary of the birth of Rabbie Burns.

Mr. G. E. Gomme (Lanark): Mr. Speaker, I would like to make an announcement which is of very great importance to that great county of Lanark, which I represent, and to all of eastern Ontario.

Today, at one o'clock, I received a telephone call from Mr. Harold Mohler, assistant to the president of the Hershey Chocolate Corporation, Hershey, Pennsylvania. This company has chosen to locate a new plant in the town of Smiths Falls. Some papers carried a story a short time ago saying that, on account of the new federal baby budget, this company would not establish.

These officials came up and studied the whole tax structure, and I am very pleased to say that Mr. Mohler told me today that

they were going ahead with those plans. They have arranged with a firm of engineers and architects to draw the plans. In fact, they start breaking ground in April of this year. This company will employ over 300 men and they will use over a million pounds of milk a day. It is going to be a great boon to our farmers in the area.

As a result of their move, another company, the Reese Chocolate Company who uses some of the products manufactured by Hershey, are also locating a plant in the town of Smiths Falls, across the road from the Hersey plant. They will employ close to 100 people.

Mr. Speaker: Orders of the day.

THE HOURS OF WORK AND VACATIONS WITH PAY ACT

Mr. R. Gisborn moves second reading of Bill No. 13, "An Act to amend The Hours of Work and Vacations with Pay Act."

He said: Mr. Speaker, at this time, in the year 1961 in this House and in this province of industrial progress over the years, of course with the high amount of unemployment, I rise to seek support in regard to an amendment to a piece of legislation placed on the books some 17 years ago. It was in 1944 that The Vacations with Pay Act was passed. Prior to that—not many years prior to that—vacations with pay for, you might say, the ordinary folk, the factory worker, were almost unknown. At that time vacations with pay, without the loss of income, were enjoyed by a privileged few.

The first breakthrough was made, as to having some vacations with pay, if my memory serves me right, by the Sydney, Nova Scotia, steel plant union when they negotiated their first agreement between 1941 and 1942. At that time they were able to accomplish having one hour's vacation for each week's work for the year. But if they lost any time through sickness, or for any other reason, that was deducted from their credits and, invariably, it averaged out that the employees under that agreement received an average of 3 or 4 days' vacation pay in the following year.

Then, in 1946 we had one of what might be termed the lengthiest and most serious work stoppages we have known in this province, when the 3 basic steel plants were on strike at one time: the Sydney plant, the Algoma plant, and the Hamilton plant of Stelco. We were able at that time to make one of the main issues, as well as union

security, vacations with pay. We were able, after 3 months on strike, to establish one week's vacation after one year's service, two weeks after 5 year's service, and 3 weeks after 25 years.

There has been much improvement in the vacations with pay in union contracts since that time. There was, at that time, no provincial or federal legislation in regard to vacations with pay. I refer to the time of the break-in at the Sydney basic plant.

In 1944, this government enacted legislation providing one week for one year's service, and the same legislation exists today. I do not know whether or not, Mr. Speaker, it was a coincidence, but that was the year when the CCF group had 34 members elected to this House, and of those 34 members 19 were trade unionists. There have been efforts since that time by the trade union movement to increase the vacations with pay benefits, but without success.

In the same year, the Saskatchewan government enacted their first vacations with pay legislation. It was, of course, the first opportunity the present government in Saskatchewan had, because that was the year they took office, and they did not confine it to one week after one year, they made their Act two weeks after one year's service.

Today, there are 8 provinces in Canada that have legislation in regard to vacations with pay, in varying degrees. Exceptions are, at the present time, Prince Edward Island—which is under a Conservative government—and, one might guess, Newfoundland. I would think that the hon. premier of Newfoundland (Mr. Smallwood) has been too busy developing anti-union legislation rather than progressive legislation of this type.

The amendment to The Vacations with Pay Act which I am seeking, Mr. Speaker, provides for two weeks' vacation with pay during the first 4 years of employment, and 3 weeks after the fifth year of employment. This will put Ontario in line with that great province of Saskatchewan, at least in regard to vacations-with-pay legislation. Ontario has been dragging its feet long enough in this regard, being on the bottom of the list still, with one week after one year; the same as we have in Quebec, Nova Scotia and New Brunswick.

The other picture is British Columbia, with two weeks after one year; Alberta provides for two weeks after two years; Manitoba provides for two weeks after one year; and Saskatchewan, two weeks after one year up to the fourth, and 3 weeks after

the fifth year, and this amendment came into effect in 1958.

Mr. Speaker, as well as being basically sound on its own merits in regard to the health and welfare of employees in plants at this time, who are putting up with the pressures of technological changes and automation, it will have some bearing on unemployment.

There are about 500,000 employees in the trade union movement in Ontario, Mr. Speaker, and there are varying types of vacation agreements. The average coverage would be one week after one year as provided by legislation, and two weeks after 3 years, 3 weeks after 15 years, 4 weeks after 25 years; and in some cases, 3 weeks after 10 years and 4 weeks after 20 years.

If one million of the work force in this province were to receive an extra week's vacation with pay under this new legislation, if adopted, it would provide work for over 19,500 men. There are no figures available to break down the situation across the province in those groups that are not organized, but I feel it is fair to say that in the 1.25 million not organized, the figure of increased employment could be much more.

The Saskatchewan Annual Holidays Act, which was amended in 1958 to provide for an annual vacation with pay of 3 weeks after 5 years' service with the same employer, was amended this year to extend the benefits of a 3 weeks' vacation after 5 years' service to persons whose employment with the same employer has not been continuous.

The Act now provides that an employee is entitled to a 3 weeks' vacation with pay after 5 accumulated years of employment, provided that the break is not in excess of 6 months or 182 days.

The Act also has some innovations that impose on an employer an obligation to maintain, for a period of 5 years, the records of employees who are re-employed within 6 months after termination of a previous period of service.

This amendment—and I bring this to the attention of the House because I feel eventually we are going to have to look into regulations on The Vacations with Pay Act—this amendment to the Saskatchewan Act brings a new feature into annual vacations legislation in Canada, as no other Act provides for annual vacations on the basis of accumulated service.

In 1958 another amendment to the Saskatchewan Act makes a provision not found in any other Act. It provides for a system

which would enable employees to postpone a week of their annual vacation each year for a maximum of 4 years. Under such an arrangement—which would permit the accumulation of a vacation up to 7 weeks—some form of guarantee would be required for the payment of vacation pay, such as the deposit of vacation pay in a trust account or the furnishing of a bond. The system would be in no case mandatory. It would not apply in respect to any employee unless he and his employer—with the approval of the Minister—agree that it shall apply.

Another interesting point of which this government should take cognizance is that domestic servants are within the scope of the Manitoba and Saskatchewan legislation.

Mr. Speaker, I know that the hon. Minister of Labour (Mr. Daley) has spoken briefly on this kind of suggestion before and felt that it should be left to collective bargaining. He also felt that to institute such a system would place a heavy burden on industry in Ontario and might, in some cases, put them out of business.

I submit that this should not be the case. In Saskatchewan there has been no complaint; the companies are thriving there. If an Act of this nature were applied to the Steel Company of Canada, even if it applied to their total of 6,000 employees at the present time, it would cost them something like \$600,000 which I do not feel would be too great a burden on their profit of \$28 million last year and \$32 million the year previous.

Hon. members of this House have, I am sure, enjoyed 3 weeks' or more vacation for several years. They know what it means to get away from the humdrum of duties and take a trip down south, and I feel we should provide for others what we would provide for ourselves.

I seek support for this amendment, Mr. Speaker.

Hon. C. Daley (Minister of Labour): Mr. Speaker, it is rather difficult sometimes to oppose the type of legislation which has been suggested because one realizes that every individual who works would certainly prefer two weeks' or more vacation with pay to one week's vacation. But many years ago, as the hon. member said, this government introduced this bill to provide that there shall be one week's holidays with pay. Now that was generally accepted by the people of this province. It was put into effect and accomplished a great deal.

It did many things besides just securing for the individual worker a week's holidays. It

provided an opportunity for negotiations to increase the holiday period in those places, in those industries and in those shops where management felt they could do better than the one week.

As a result of these negotiations a great many—particularly the organized people—have been able to improve on the legislation—namely, two weeks after two years, in some cases 5 years; in others 3 weeks after another period. All types of things have evolved because of this original piece of legislation.

Now we have, in Ontario, the largest industrial province and I do not think it fair to compare it with Saskatchewan. You see more industry looking out the top window of this building right around here than there is in the whole of Saskatchewan. Therefore we cannot adopt all these measures. It means very little to the Saskatchewan economy but it would mean a tremendous thing in the continuous operation of the industries of this province, in the ability to remain competitive in their fields, and goodness knows we all know that they are having a very difficult time in a great many fields in remaining competitive and doing business. To a great extent that is why we have a considerable measure of unemployment.

Now it is all very nice to figure out that if you had 150,000 men having another week's holidays with pay you would have so many more men in jobs. That does not work that way at all. It might mean that there would be fewer men in jobs. It might very well mean that the people who are struggling for their existence today—even the big steel companies are having difficulty; their ratio of production is away down—if we are going by legislation to impose something on the people that they must do, in order to comply with the law, then we have to be slightly on the minimum side. I do not think it would be fair to 100,000 small businesses—and I mean places where people might employ one man or two men—that they would have to give their people two weeks' holidays with pay; and no doubt in the season when they are needed the most; and be unable to take even one week themselves.

That is the condition that exists in a great many places right in this province.

So I can only say, sir, that while it might be a popular thing with a great many people in this province, I think it would work a hardship on the industry, on the merchants and on the people who are striving for their existence today, to impose any further penalties on them.

One week's holiday with pay was designed to give a holiday to the man who works continuously for a certain period of time. The method of payment was designed so that when he gets that holiday he will have money to live on while he is having the holiday.

I mentioned before that when I was a young man a fellow working with me said, "I get two weeks' holidays." And I said "With pay?" He said, "No." I said, "You have not got two weeks' holidays; you are just laid off for two weeks." And that was one of the things that prompted me to introduce this legislation.

But I still maintain, especially in the period we are going through today, it would be absolutely ridiculous, and impose on people an impossible thing for them to live up to, to impose a two weeks' mandatory vacation. I hope everybody gets two weeks by negotiation or by being able to deal with his employer whether he is a one-man employee or not. But I do not think that this government or any other government—including the hon. member's party which I do not think will be here for a while—would have the right to impose on people a penalty like that.

Let the thing work itself out. Let people stay in business and do business and provide employment. That is what we are trying to do. So let us not get into a panic and do some of these crazy things that are suggested, and impose further difficulties on the people who are trying to keep this country alive.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I was very interested in the remarks of the hon. Minister of Labour. I know that the hon. Minister may have strong feelings with respect to the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) and the hon. Minister may feel that he is doing some crazy things and imposing penalties on the people of this country.

But I suggest to the hon. Minister that the Rt. hon. Prime Minister of Canada in 1958 brought in legislation very similar to this, and I suppose this is another denunciation of him and an effort to dissociate from him on the part of the hon. Minister and of his party which helped the Rt. hon. Prime Minister to get into power in the first place.

I also was very interested at the very narrow and parochial point of view that the hon. Minister had in referring to Saskatchewan and British Columbia. The thing which amazes me about the government across the way is the lack of homework that they do,

the narrow vision that they have, and the smugness and complacency with which they sit in their seats across there.

I would suggest to the hon. Minister that, if he will read, for example, the reports of some of the international labour organizations' meetings, and if he will examine some of the legislation of countries which are competing with us in the world market, he will find that they have this very type of legislation enacted by their own governments.

Now, sir, with respect to this legislation—both as a Liberal and as a member representing an industrial riding—I am interested in any legislation which affects the worker. Working people, both organized and unorganized, know that the Liberal party represents their interests.

If we look at the industrial areas of this great province, if we look at Windsor, if we look, for example, at the hon. Liberal-Labour representative from Kenora (Mr. Wren), and if we look at the seats in western Toronto, we will see that the workers know that Liberals represent their point of view, not with a narrow partisan dogma, but with an interest that is extending to all the people of Ontario.

I was quite interested in this new idea of the New Party federal hon. member (Mr. Pitman)—a new bill that he is presenting. I could not help thinking if this is the sort of tarnished old thinking that they are presenting, they do not have much of a New Party policy, because the suggestions they are bringing forward are established Liberal policies.

In 1948, the Ontario Liberal party brought forth an amendment to this very bill that the hon. member for Wentworth East (Mr. Gisborn) is presenting. Now the hon. member is coming along with it in 1961.

I would agree, sir, that this is a great industrial province. For many workers in this province—and I point this out to the hon. Minister of Labour—their day's work is simply harsh, uninspiring drudgery—their desire for an adequate holiday away from the monotonous grind is natural and sound.

I also suggest to the hon. Minister, sir, that he should read some of the international labour congress reports, and especially the conference on the reduction of hours of work. It emphasized the need for mental and physical health improvement by providing changes and holidays for workers. I was particularly interested in the forty-fourth session of this conference, for even the Soviet Union representative urged increased leisure time for workers, particularly those doing

physical and mental work connected with modern machinery.

Some people may feel that the longer a man works the greater is his output, but I also point out to the hon. Minister of Labour that there are diminishing returns in relation to the number of hours a man should work, as I am sure possibly the Soviet representative at this international labour conference was thinking.

I do not want to argue on the basis that you must refresh a worker sufficiently to keep him at his maximum output, and therefore you decide some way scientifically—as though he were an animal in a laboratory—just how many weeks you will give him. I would prefer in this province—in this wonderful province where we have lakes, summer resorts and all kinds of holiday opportunity—that every citizen should be entitled to an adequate holiday.

Let me point out another fallacy which shows the hon. Minister either has not read the suggested amendment or does not understand it. There is no suggestion in this to the effect that the employee would designate the time he would go on his holidays—as the hon. Minister was suggesting—no exodus during the rush peak which would leave the poor employer shorthanded. It says very clearly in this amended bill that the employer himself will decide when the employee goes on his holidays.

Hon. Mr. Daley: If the hon. member would not read so much of that stuff and use a more realistic view of his own, I think he would consider these things from a different position.

Mr. Thompson: I do not agree, sir, with the suggestion that the international labour organization and the representatives in Canada and the other countries are unrealistic and that their ambitions are getting very much out of touch.

I say, sir, that leisure time is the desire of thousands of people throughout this world. It is often easy to be out of touch when one is sitting in a plush seat, when one is not having to report to work, especially to do dull work. I have reported at a factory and performed dull work, and I know the need to refresh oneself and get away from that kind of dull monotony. I suggest there would be more sympathy, on the government side particularly, if the hon. Minister of Labour was aware of this dull, monotonous work and the need for an adequate holiday. He would be much more sympathetic to, and realistic about, the proposal of this bill if he were in closer

touch with, and about, the problems of the working people of Ontario.

It is not a privilege for these people to have two weeks at the end of a year. I suggest it is a right, and I also say it is an obligation on the part of this government to make it a right. I believe that this government should be looking at the best labour practices that prevail in industry. I believe they should be trying to set an example with their own employees which other industries can look up to. I believe that they should be trying to promote the application of these practices across the province.

Regarding the remarks of the hon. Minister of Labour to me about not reading books and being realistic, he made similar remarks to me last year when I suggested that he should have more safety measures, and should have means of interpreting them to the Italian labourers and others. Within a month after those remarks were made, we had the terrible tunnel tragedy that took place in Metropolitan Toronto. I would be interested to see if he himself is now taking more realistic approaches in connection with safety and every other aspect of the worker's well-being.

If I am unrealistic in making such statements as I have, I will continue to be unrealistic.

In the matter of hours of work and vacations with pay, the Ontario government is not giving a lead to industry. It is not giving the lead to other provinces across this country. As was pointed out by the hon. member for Wentworth East, this government is behind and not ahead on this; behind Saskatchewan, British Columbia, Manitoba, and Alberta. Certainly British Columbia is a province that is industrial and requires many unions and organizations, and yet this government is lagging on this. The federal government has passed its legislation and I listened to the words—in fact, I was reading it today in *Hansard*—the words of the hon. Minister whom you helped to put in there, and how they praised themselves for passing such legislation.

I suggest that the provincial hon. Minister of Labour should not look narrowly, but should look around. He can pick up ideas from across the world. Study other responsible governments that are trying to make the lot of their working people easier. There were over 48 governments represented at this international labour organization meeting, and the hon. Minister is suggesting that they are all an irresponsible lot—48 governments. Is that the approach to take? They were discussing a 40-hour work week. I imagine that

would make the hon. Minister shiver to give the workers the break of a 40-hour work week.

Yet 48 governments, some competitors of ours, were sitting around and discussing this and passing resolutions on it. They feel that the hallmark of civilization is to provide some leisure time for the citizens of their countries.

Away back in the 1850's in the United States the work week was 88 hours. Some of the people were concerned because workers were trying to shorten the work week. But they brought it down and they are still fighting to bring it down more.

Apart from the desire to give a decent opportunity to workers to have an adequate holiday, there is more to this. There is a long-term approach and there is a short-term approach which will affect and benefit our economy.

I do not think that the hon. Minister has ever studied the effect of automation.

I do not think the hon. Minister could have read the Senate reports in the United States with respect to automation. I suggested to the hon. Minister before that he read this. I think it would cause the hon. Minister great concern if he did, and I think if he did this he would realize that we have to do something because a reduction of the working day is going to take place with automation.

The hon. Minister could be standing in the vanguard by enacting such legislation as is suggested in this bill. He could suggest now what would be an adequate minimum holiday to absorb the reduction time in work.

Let me say that this reduction with automation is not going to cut down on the output and the productivity of the worker. This is something that I think concerns the hon. Minister and that is why I strongly urge that he read this Senate report. It is a heavy report and it is large but it is worth reading on its study of automation.

And to maintain full employment on a short-term basis, Mr. Speaker, we have to have some sharing of work. Again the hon. Minister stood up and scoffed at this proposal. Well, sir, was Mr. Roosevelt scoffed at, when he brought in his new-deal legislation? He had, in the 1930's in the United States, a philosophy that where there was a lot of unemployment there must be sharing of the work, and he passed such legislation as a national recovery administration code. In the United States also—

Mr. W. B. Lewis (York-Humber): Might I—

Mr. Thompson: I am sorry, not at the moment.

Mr. Lewis: Mr. Speaker, I am going to ask a question rather than—

Mr. Thompson: Mr. Speaker, I said no because I realize the authority for this legislation is going to be largely in the hands of the hon. Minister of Labour. Therefore I do not want to be diverted by other hon. members whose interests are not only in Canada but also abroad.

I was talking about Mr. Roosevelt, when he brought in the national recovery administration code. The United States Legislatures also brought in similar legislation and The Fair Labour Standards Act was passed in 1938. The principle behind these was the share-the-work philosophy. I suggest that in this proposed bill there is this principle which will help the unemployment situation today. It will provide more jobs and we need desperately to get more people working. It is because of these reasons, because this is a traditional Liberal approach that I support this bill. This bill was originally sponsored by the Liberals, and we do not want to take this as a narrow political point of view. The New Party, in order to try to think up some new ideas, went back to 1948 to some of the Liberal ideas. Liberals still adhere to our own ideas and it is because of this that I approve this bill in principle.

Mr. K. Bryden (Woodbine): In rising to speak in support of this bill, I would like first of all to say how happy I am to discover that the Liberals at least in opposition are tagging along and supporting some bills and ideas advanced by the CCF. It is a rather noticeable fact, Mr. Speaker, that this is a bill introduced by the hon. member for Wentworth East, not a bill introduced by any Liberal hon. member of the Legislature. That is noticeable in itself.

I am happy that the hon. Liberal members are supporting the bill. I am happy they are slowly learning, because it is a fact, Mr. Speaker, and anybody who wants to study the matter will verify it, that Liberal governments in office have been very, very loath to extend any benefits to working people. One will find that the poorest labour standards in this country are in fact in provinces which have had Liberal governments for a long period of time.

Furthermore, hon. members will find that the smallest advances in the conditions of working people are usually made when Liberal governments are in office.

Mr. Speaker, I am proud to say that in the province of Saskatchewan, with which I have had some association myself, and in which there has been a CCF government for a good many years, one will find the most advanced labour standards in the country. One will find that two weeks' vacation with pay was made law in that province as far back as 1944, when there were Liberal governments in other parts of this country which would not even put in one week. Anybody who suggests that we are stealing this idea from the Liberals certainly has a difficult case to make.

We still find down in the eastern parts where we have the distinguished Liberal government of Premier Smallwood, that there is no vacations-with-pay legislation at all.

The bill that is now before this Legislature is modelled on the legislation that is now in effect in the province of Saskatchewan, and the province of Saskatchewan is the only province with legislation of the type in this bill.

An hon. member: The hon. member is protesting too much.

Mr. Bryden: I have already indicated that I am not protesting at all. I have indicated I am very happy that the Liberals are slowly coming around to accept some of these principles.

I would also point out with regard to the outrageous misstatement of fact made by the hon. member for Dovercourt with respect to a bill brought in by the Liberals in 1948 that in some strange way we are supposedly copying from, that the particular bill brought in in 1948 was rather a pale imitation of a CCF bill that was on the order paper in the same year and in the previous year.

The Liberal bill of 1948 provided for two weeks' vacation after 5 years. This bill now before the House proposes two weeks' vacation after one year and 3 weeks' vacation after 5 years, which in my opinion in this day and age is a sound and reasonable proposal.

I regret very much to state that the hon. Minister of Labour has taken a negative attitude to this particular proposal. I stated in the previous session, and I state again, the hon. Minister of Labour is to be congratulated on having introduced the first legislation in Canada which provided for annual vacations with pay. That Act was The Hours of Work and Vacations with Pay Act of 1944, I believe. It provided for one week's vacation with pay and a 48-hour week. It was a fine piece of legislation in its day.

The CCF government of Saskatchewan the same year introduced two weeks' vacation with pay, but I still give the hon. Minister full credit for having piloted through his legislation.

Hon. A. Grossman (Minister without Portfolio): How did the Liberals vote on this particular bill?

Mr. Bryden: I have no idea. I would not wonder but what they opposed it. They usually oppose these things. However, that is beside the point.

The unfortunate point is that the hon. Minister has doggedly refused ever since then to take a single forward step. There was a flash of insight, a flash of ingenuity, a flash of the pioneering spirit for one fleeting instant, and ever since he has retired back into his Tory shell, determined that nothing will be changed or ever can be changed.

The arguments he presented in this House today against the bill introduced by the hon. member for Wentworth East were the same kind of arguments that 20 years ago were advanced against the proposition that workers should have one week's vacation with pay. That day he ignored those arguments, but now he sticks to them, stubbornly and determinedly.

I submit, Mr. Speaker, that the hon. Minister should reconsider his position. If he does not wish to go as far as this particular bill proposes at this stage, why should he not consider bringing in a bill of his own to provide for at least two weeks' vacation with pay after one year or after two years of employment? Let him at least, bring the province up to a par with Manitoba.

This is an age of automation. We have been told over and over again how technological change is a contributing factor to unemployment, and it certainly is. We can answer that problem at least to some extent by reducing hours of work, by extending vacation privileges. That is one of many ways in which the unemployment caused by automation can be offset.

In addition, surely it is reasonable for any wage-earner in this day and age to expect that he will get at least two weeks' vacation with pay, and those of them with longer seniority—with 5 years with the same employer—surely are entitled to 3 weeks' vacation as is proposed in this bill.

Let us spread some of the benefits that are bound to come from technicological advance to the people who work in the factories and shops. Surely they are entitled

to get some of those benefits. One way in which they can get the benefits is through increased leisure time and through facilities whereby they can enjoy this increased leisure time.

This is the principle which is submitted in this bill. It is a humane and intelligent principle. It is not only socially desirable, but I submit that it will be economically beneficial.

Every time anybody in the history of this world has suggested that there should be any improvement in the conditions under which working people work, there has always been someone to stand up, as the hon. Minister stood up today, and say: "You will run somebody out of business, somebody will be unable to carry on."

But notwithstanding this dead Tory attitude, advances have taken place, and far from suffering, our economy has benefited. I submit, Mr. Speaker, that it will benefit from legislation of the type that is before the House in this bill.

The hon. Minister laid great stress on the fact that at the present time merchants and manufacturers and others are struggling for their very existence, I believe that was the type of phrase he used if not the exact phrase. They are struggling for their existence because of the depressed economic conditions which exist. I agree with him, and I am glad to find at least one hon. Minister of the Crown who is prepared to face facts and admit that we do have a serious economic situation at the present time. Most of the other hon. Ministers who have spoken on behalf of the government are determined to turn a blind eye to the very serious economic situation, but I agree with the hon. Minister, and I commend him for admitting the existence of such a situation.

I would only point out to him, Mr. Speaker, that a bill of this kind will not make that situation worse. If anything, it will improve it and at the same time it will extend to all working people in this province benefits which surely are reasonable, and which they have a reasonable right to expect.

This bill, I may say, is mainly for the benefit of unorganized workers. I venture to suggest that most of the workers in trade unions in this province have benefits that are as good as, or nearly as good as, the benefits proposed in this bill, under collective agreements. They are not the people with whom this bill is primarily concerned.

There are still those numerous groups of unorganized workers, many of them in occupations where organization is very

difficult, in very small units of employment, who have only one week's vacation.

This bill will benefit those people greatly, and they are entitled to enjoy its benefits in this day and age.

I regret that the hon. Minister has set his face so firmly against the very reasonable proposals contained here. I would plead with him to reconsider the matter and, as I suggested earlier, if he is not prepared to go to the full extent suggested in this bill at this time, then let him bring in a bill that will at least go part way, so that we can have the reasonable progress which I think the people of Ontario are entitled to expect on a vital matter of this kind.

Mr. Lewis: Mr. Speaker, may I ask the hon. member if he will permit a question?

Does the hon. member agree that the practice should continue so that employees may continue to be allowed to accept double wages in lieu of vacation as the practice is now?

Mr. Bryden: I do not believe that that is a sound practice under most circumstances. I would not care to make any general statement, Mr. Speaker, because circumstances vary. I personally am opposed in principle to overtime work of any kind, although there certainly are some instances where it is unavoidable. But in principle I think it is an undesirable practice.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, as it is now 4.30 or approximately that, I move the adjournment of the debate on this subject.

Motion agreed to.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, I would ask you to revert to the previous order. I would like to draw to the attention of the House that we have here today a distinguished visitor. Unfortunately, just for the moment, she has left; the photographers have asked her to step outside for a picture. She will be back shortly and I know that the hon. members will recognize her when she comes in.

I refer to Mrs. Amita Malik of India, a world-famous journalist who is a guest of the Canadian women's press club and is traveling throughout Canada from coast to coast. I am sure the hon. members would be very much interested in recognizing her. When she does come back she will be in the press gallery again, and I am sure, Mr. Speaker, that you do not mind my drawing this to the attention of the House.

THIRD READING

The following bill was given third reading, upon motion:

Bill No. Pr6, An Act respecting Montreal Trust Company.

ST. GEORGE'S COLLEGE

Mr. W. H. Collings moves second reading of Bill No. Pr4, "An Act to incorporate St. George's College."

Motion agreed to; second reading of the bill.

MEADOWVALE BOTANICAL GARDENS

Mr. W. G. Davis moves second reading of Bill No. Pr13, "An Act respecting Meadowvale botanical gardens."

Motion agreed to; second reading of the bill.

CITY OF PORT ARTHUR

Mr. J. Chapple moves second reading of Bill No. Pr15, "An Act respecting the city of Port Arthur."

Motion agreed to; second reading of the bill.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move that you do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole, Mr. W. E. Johnston in the chair.

BOUNDARIES OF ALGONQUIN
PROVINCIAL PARK

House in committee on Bill No. 18, An Act to extend the boundaries of Algonquin provincial park.

Hon. J. W. Spooner: This bill was referred to the committee of the whole House during the fall session. At that time it was in a complicated form because of the revision of the statutes which was then under way. The reason for the complicated form no longer exists and, therefore, the bill has been reprinted in its usual form.

I move that the reprinted bill now on the bill books of the hon. members be considered in lieu of the bill in the form in which it was referred to this committee. There is no change in the substance of the original bill.

Motion agreed to.

Sections 1 to 4, inclusive, agreed to.

Bill No. 18 reported.

THE PROVINCIAL PARKS ACT

House in committee on Bill No. 19, An Act to amend The Provincial Parks Act.

Hon. Mr. Spooner: Mr. Chairman, the same explanation applies to Bill No. 19 as to the previous one. Therefore I move that the reprinted bill now on the bill books of the hon. members be considered in lieu of the bill in the form in which it was referred to this committee. There is no change in the substance of the original bill.

Motion agreed to.

Sections 1 to 4, inclusive, agreed to.

Bill No. 19 reported.

THE DEPARTMENT OF COMMERCE
AND DEVELOPMENT ACT, 1960-1961

House in committee on Bill No. 21, The Department of Commerce and Development Act, 1960-1961.

Hon. L. M. Frost: Mr. Chairman, I take very great pleasure in moving a motion which will enable both myself and the hon. members to better understand this bill. I move that the reprinted bill now on the bill books of the hon. members be considered in lieu of the bill in the form in which it was referred to the committee. I may say there is no change in the substance of the bill except that it is more understandable.

Sections 1 to 10, inclusive, agreed to.

Bill No. 21 reported.

THE DEPARTMENT OF ECONOMICS
ACT

House in committee on Bill No. 22, an Act to amend The Department of Economics Act.

Hon. Mr. Frost: Mr. Chairman, I make the same motion and the same explanation, that the reprinted bill now on the bill books of the hon. members be considered in lieu of the bill in the form in which it was first referred to this committee.

Mr. F. R. Oliver (Grey South): Mr. Chairman, the bill is not yet too understandable to the layman hon. members of the House.

On the explanatory note it says that the purpose of this bill is to change the name of The Department of Economics to The Department of Economics and Federal and Provincial Relations, and the bill itself sets out to do that very thing in clause No. 2, where it says "The Department" means The

Department of Economics and Federal and Provincial Relations.

And then on down in subsection (2) of section 3 it says: "The Department may continue to be known as The Department of Economics."

I suppose there is a reasonable explanation for that, but really the primary purpose of the bill is to change the name of the department and then in the latter part of the bill it says the department may continue to be known by the old name.

Hon. Mr. Frost: There may be some validity to what the hon. member says, but the point is that The Department of Economics was formed some few years ago, at which time it had more limited powers than there are in this bill.

Now, I point out to my hon. friend that in the meantime The Department of Economics has developed into a department where we deal with other jurisdictions, other problems, and the federal government. It was felt desirable to do what some of the other provinces are doing; to have a department which is actually a department of federal-provincial relations.

It will be noticed that we have not used that expression. We have used federal and provincial relations because we have expanding relations with the other provinces. We have a lot of dealings with our good friends to the east in the province of Quebec, and it was felt desirable to do that because it gives the department and the Deputy Minister the proper standing.

On the other hand, the title becomes quite lengthy and cumbersome. It is something like the short form Conveyances Act. It means legally what we have set out in the bill.

Its purpose is to make plain the fact that it is The Department of Economics and Federal and Provincial Relations. It may very probably have that name on the letter-head. On the other hand, The Department of Economics is a short title which may be used which is a saving in the matter of printing and a whole host of other things and it can be used. Now that is the purpose of it.

Mr. Oliver: Well, if the hon. Prime Minister is sure of what he is doing, it is all right with me.

Hon. Mr. Frost: Oh, we always know what we are doing.

Sections 1 to 6, inclusive, agreed to.

Bill No. 22 reported.

THE DEPARTMENT OF THE PROVINCIAL SECRETARY AND CITIZENSHIP ACT, 1960-1961

House in committee on Bill No. 23, The Department of the Provincial Secretary and Citizenship Act, 1960-1961.

Sections 1 to 9, inclusive, agreed to.

Bill No. 23 reported.

THE EXECUTIVE COUNCIL ACT

House in committee on Bill No. 24, An Act to amend The Executive Council Act.

Hon. Mr. Frost: Mr. Chairman, I move that the bill as now on the hon. members' bill book, Bill No. 24, in its abbreviated form be taken as the bill under consideration.

Motion agreed to.

Sections 1 to 3, inclusive, agreed to.

Bill No. 24 reported.

Hon. Mr. Frost moves that the committee rise and report one bill without, and certain bills with, amendment and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report one bill without, and certain bills with, amendment and asks for leave to sit again.

Report agreed to.

REPORT, SELECT COMMITTEE ON LAND EXPROPRIATION

Hon. F. M. Cass (Minister of Highways): Mr. Speaker, about a month ago there was presented to this House the interim report of the select committee on land expropriation and I am sure that all the hon. members have had an opportunity of looking at it, and I am sure that they will draw the same conclusion from the report as did the committee: namely, that during its short life so far this committee has been faced with a very large subject which requires a great deal of investigation and consideration.

As the interim report presented indicates, Mr. Speaker, the committee has gone exhaustively into the present means and procedures of expropriation of land by government bodies and by other organizations which are creatures of the law. I think that I am safe

in saying—and that the committee hon. members will agree with me, sir—when I say that the further into this we went the more complicated the problem appeared. As a result we were, perhaps, able to propound some of the problems which faced this committee and which will face this House when the committee is able to produce a final report.

But those problems, sir, are problems which are far from easy of definition. They are far from easy to solve. We heard briefs—as the interim report will indicate—from a great many organizations and individuals, and we have yet a great many organizations, including particularly the municipal organizations, and a great many briefs yet to hear.

At this time, it would seem to me, Mr. Speaker, that very little could be gained by having a debate on the matter which is being considered by the committee. The committee has respectfully requested, in its interim report to this House, that it be given leave to sit again in due course and to go further into the problems and to, perhaps, produce, for consideration of the hon. members of this House, its report. Such a report will, we hope, be a guide for that consideration; and, in the end, will help produce the type of legislation which I think the people of Ontario deserve, and require, and which this House will wish to give them.

And so, Mr. Speaker, for myself, both as chairman and a member of the committee, I merely wish to say that the problems have been but delineated thus far by the committee and require, I believe—and in the opinion of the committee as set out in the report—a great deal of further consideration.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in connection with this item, it appeared that the report was purely an interim report and the committee had proposed authority of the House be given to it to sit again during the interval after the session. I think we would all want to accede to this, and I propose shortly to introduce a motion concerning the matter, which will be placed upon the order paper.

I have no desire at all to avoid or in any way make it difficult for any hon. member to speak on this subject, but it might be well to move the discharge of this particular order—I do not think there is much purpose in keeping it on the order paper—with this undertaking that I will present a motion to the House. If any hon. member desires to speak at that time on matters arising from this report, then it would be in order for him to do so. If that is satisfactory, sir, I

move for the discharge of this order and I will arrange tomorrow to have the notice of motion given in connection with the continuation of this committee.

Motion agreed to.

SPEECH FROM THE THRONE

Mr. V. M. Singer (York Centre): Mr. Speaker, to continue the remarks that I commenced yesterday, I want to come to a second phase of our provincial affairs which I think is most important: The problem, and very serious problem, of municipal affairs.

Mr. Speaker, you will recall that, on November 29, when our hon. leader (Mr. Wintermeyer) was talking, the hon. Minister of Municipal Affairs (Mr. Warrender) said: "Let him not find me guilty until he hears the facts." With bated breath we waited until December 16, in the last hour of the last day of the session, for the rest of the facts.

I listened, Mr. Speaker, with great interest to the hon. Minister's speech and earlier I listened with equal interest to the remarks of the hon. member for Russell (Mr. Laverne). I have read and reread both of those speeches several times since then. I searched and searched very hard for the facts. I have searched for the answers, but I have not found them, Mr. Speaker, in either of those speeches.

You will recall that when our hon. leader was speaking, he read at length from the report of the Ontario municipal board given in 1958 and recorded in *Hansard* on March 25 of that year. It is not necessary at this time to repeat all of these details. Suffice it to say, Eastview wanted a private bill. The hon. member for Russell introduced the bill. The Ontario municipal board said, first: "We cannot recommend it." Second: "In the event that you do not accept our recommendation, place the municipality and all its boards under the supervision of The Department of Municipal Affairs."

What then did the hon. Minister tell the House? He said: "It is proposed to change the legislation. These changes will allow us to render assistance and advice almost as effectively as if the municipality were placed under supervision. We still have the right to do so if necessary, but in view of this let us now take no action on the board's second recommendation."

The hon. Minister was so persuasive that the House went along with his suggestion. Bill No. 42 was passed. The hon. Minister assured the House that everything would be fine.

Mr. Speaker, in 1960, two officials from the hon. Minister's department—and I say two very competent officials—made a report on the affairs of Eastview. The hon. Prime Minister (Mr. Frost) has described it as a good report, and with that I agree. The report itemizes these incidents:

1. For all practical purposes, no land use control of any account has been provided by any council of the municipality going back many years. This is at page 7 of the report.

But the hon. Minister has assured the House that everything would be fine. The hon. Prime Minister says this is a fine report.

2. In the case of Eastview there was no consultation with the town engineer or any other source of professional advice. This relates to plans of subdivisions and is referred to at page 9 of the report. All these plans had to go through the community planning branch where this should have been obvious, and they were all approved by another hon. Minister, to whom this also should have been obvious, but it was not even noticed. The hon. Minister told us that everything would be fine, and the hon. Prime Minister says this is a fine report.

3. Nowhere in the minutes of council is there any record of the council, as such, having considered any proposed plan of subdivision, or disapproved of it, or of having imposed any conditions of subdivision approval, or of having selected any particular location of lands to be dedicated for public purpose. This is at page 9 of the report.

Yet the hon. Minister told the House that everything would be fine. And the hon. Prime Minister has told us again this afternoon that this is a fine report.

4. In connection with one subdivision the municipality paid out \$9,118 in August, 1959. It did not send out a bill to the subdivider until October of 1959, and received payment in April of 1960. The subdivider was a company called Garcharl Investments Limited.

The mayor of Eastview was one of its members. There was no figure included for overhead or interest in the charges sent out; the interest was calculated as having been some \$375. But the hon. Minister has assured the House that everything would be fine and the hon. Prime Minister tells us that this is a fine report.

5. Bylaws allow deviation from the building bylaw by the building inspector with the approval of council—page 12 of the report. The erection of signs where council decides it is for the benefit of the town—page 13. The

report says: "while all of these bylaws are probably illegal," and then goes on to comment.

But the hon. Minister had assured the House that everything would be fine and the hon. Prime Minister says this is a fine report.

6. The building inspector appears to have refused permits, even though proposed buildings met the requirements of the bylaw but were in his opinion not in accordance with good building practice—page 14 of the report. The hon. Minister has told us that everything would be fine and the hon. Prime Minister insists this is a good report.

Hon. Mr. Frost: I do not insist, I just say so.

Mr. Singer: Well, I agree with the hon. Prime Minister.

7. Mrs. Pharand made grave accusations respecting the conduct of a Mr. Menard, a member of the 1959 council, in connection with a building permit application. "In our view," the report says at page 15, "this matter requires further investigation."

We have heard nothing from the government side of the House saying there is going to be any further investigation. But the hon. Minister has assured the House that everything would be fine and the hon. Prime Minister says it is a fine report.

8. At no time did the municipality have an independent appraisal made to ascertain what price the town should obtain for any particular parcel of land sold—page 16. Again, the hon. Minister has assured the House that everything would be fine, and the hon. Prime Minister says this is a fine report.

9. Mrs. Cecille Viche Paquette, wife of the then deputy reeve, was sold a parcel of land by the town for \$200 which was valued at from \$500 to \$600—page 17 of the report. The hon. Minister has assured the House that everything would be fine and the hon. Prime Minister says this is a fine report.

10. Arthur Belair, son of Victor Belair, a councillor of Eastview, purchased land from the municipality. The hon. Minister assured the House everything would be fine and the hon. Prime Minister says this is a fine report.

11. Mrs. Laurette Roy Robert, wife of a councillor who subsequently became the reeve, purchased a parcel of land from Eastview. Quoting from the report:

A perusal of the evidence makes it abundantly clear that this was at least a joint venture of her husband and herself.

And again at page 18:

This land was purchased at a price of \$375, other evidence valued the land at from \$1,500 to \$2,000.

The hon. Minister says that everything would be fine and the hon. Prime Minister says this is a good report.

12. A piece of land was exchanged with one J. G. Kelly with the approval of The Department of Municipal Affairs. The report quotes an extract from a letter from the clerk to the department which says in respect of the land:

The municipality wishes to deed the property covered by the enclosed deed. In return the municipality will have a clear deed to a portion of property twice the size of the one being deeded to Mr. Kelly with a fully-constructed playhouse and all conveniences, a large wading pool and a ball diamond. The grounds fully prepared, with portions in grass and shade trees all around, which has been prepared at a cost of \$25,300.

The report says:

The facts produced in evidence before us do not coincide with those in the clerk's letter.

The land given in exchange is 17,400 square feet more than the land that was acquired, and the ratio as indicated in the letter was going to be the other way around, only twice as big.

The only evidence of expenditure was \$1,000 for fill and tile and an unknown amount for shade trees. And the cost of the building which was replaced by one later erected and was assessed at what was supposed to be its full value of \$1,400—at page 21 of the report. The value of the land given was assessed at \$43,200 and the value of the land taken at \$3,820.

The hon. Minister assured the House that everything would be fine, and the hon. Prime Minister told us that this is a good report.

13. Gary Brunet, the vice-president of Garcharl Investment Company, a member of the court of revision and subsequently its chairman, purchased a piece of land for \$1,000, which was land obtained by Eastview from a subdivider, being 5 per cent of the subdivision for public purposes. No approval of this sale was obtained from the hon. Minister nor were the monies from the sales paid into a special account as required by The Planning Act.

This is a particularly interesting incident, Mr. Speaker. Brunet went on and obtained

a building permit in June, 1959, and built a substantial home on this land although it had not even been conveyed to the municipality at this time.

Mr. R. M. Whicher (Bruce): The hon. Prime Minister said it was okay.

Mr. Singer: The value of the property has been estimated as high as \$6,000, lots on the same street of approximately one-third the size were selling from \$3,500 to \$3,800. No evaluation was ever obtained. This is contained at pages 22 and 23 of the report. But the hon. Minister assured the House that everything would be fine, the hon. Prime Minister says this is a good report.

14. Mrs. Yolande LaBelle, the wife of the town clerk and daughter of the treasurer, was authorized to receive a conveyance of a piece of land for \$1,000, contingent on the approval of The Department of Planning and Development and was to be acquired from a subdivider under section 26 of The Planning Act.

The purchase price mentioned in the deed was not in fact paid nor was the approval of the hon. Minister obtained. No valuation was obtained. Evidence at the hearing by an independent appraiser valued the lot at from \$13,000 to \$15,000. The hon. Minister told the House that everything would be fine and the hon. Prime Minister says this is a fine report.

15. The town received a landlocked piece of land from a subdivider in accordance with section 26 of The Planning Act. The frontage on the street was retained by the subdivider who erected a house on it and sold it. I quote:

Since no record of the sale of the frontage back from the town to the subdivider exists, we do not know what, if any, compensation was obtained by the town for that portion of the land it did not receive. It seems that this is a matter that should be investigated further with a view to obtaining a cash settlement in lieu of the lands which were repurchased and dedicated as condition of subdivision approval.

Again we have been waiting to see if there is going to be any further investigation. We have heard no report on this. But the hon. Minister told us that everything would be fine, and the hon. Prime Minister says this is a good report.

16. A portion of Steven street, closed and sold to Mr. A. Beaudry, who was not an abutting owner of the closed street, for the

sum of \$1,000. Although there is no record in the minutes of council indicating that the sale was authorized by council, there is no question that the sale was actually made. The land was valued at \$1,500 to \$2,000, page 25 of the report. And the hon. Minister assured us that everything would be fine, and the hon. Prime Minister says it is a fine report.

17. Of all these sales of closed streets, two things emerge as affecting the financial affairs of the municipality. I am now quoting from page 26:

That in those cases where evidence was called as to the value of land sold, the amount obtained by the town appears to be much less than the appraised value and, (b) the council had no regard for the provisions of section 487 of The Municipal Act as to the offering of the closed street to the abutting owners at a fixed price.

The hon. Minister says everything would be fine, and the hon. Prime Minister says this is a good report.

18. One Landriault, with the knowledge and consent of the council, physically and visually closed off a public street, erected a canopy which projects over the street and the street is now used in conjunction with a motel that he built as private property. But the hon. Minister assured the House that everything would be fine and the hon. Prime Minister says this is a good report.

19. Six lots valued at \$12,500 to \$15,000, were sold to the separate school boards, wards 1 to 5, this amount being estimated as the equivalent of two mills on the tax rate. That is at page 28.

It would appear that the transaction was *ultra vires* and void because it was not done in accordance with the legislation.

I quote from page 30. But the hon. Minister has assured the House that everything would be fine and the hon. Prime Minister says it is a fine report.

20. Garcharl Investment Company Limited is a private company whose shares are equally divided amongst the following: Sylvio LaBrun, the president; Darie Brunet, the vice-president, who bought some land from Eastview and who was a member, and, at the time the report was written, chairman of the court of revision; Fernando Golet Gaulin, the secretary of the company who held the contract for the disposal of the town's garbage since 1955; Renaldo Chenier, treasurer and chairman of the separate school board for many years and owner of the Eastview Hotel, and Gordon Lavergne, the mayor.

From the evidence, it appears, and I am quoting again from the report, at page 31:

The major interest of the company was in land speculation in and around Eastview. The company was, and is, engaged in developing subdivisions in Eastview. All other members of the council agreed they did not know the mayor was a shareholder of the company until it was disclosed at this inquiry.

Work was done in one of its subdivisions which cost the town \$400 in interest; an unestimated amount for overhead and supervision. Some grading was done by the town but not charged to the company. It appears from the evidence that the question of installing these services was never brought up in council, and that it was the mayor who authorized the engineer to start the work.

That is at page 32.

Mr. Lavergne acquired his interest in Garcharl without making any payment for it, and that comes from the evidence. I can give an exact page reference for that if hon. members want it. The hon. Minister assured the House that everything would be fine, and the hon. Prime Minister says this is a fine report.

21. The Eastview Hotel owned by Renaldo Chenier, the treasurer of Garcharl, was given a fixed assessment contrary to section 309 of The Municipal Act and without a vote of the electors. Ottawa Iron Works was given a fixed assessment without such a vote.

Because of this the hotel paid \$14,000 less in taxes than it should have paid and the Ottawa Iron Works paid \$5,200 less than it should have paid.

The Department of Municipal Affairs were advised for several years that there had been no fixed assessment. The hon. Minister assured the House that everything would be fine and the hon. Prime Minister says this is a fine report.

22. Fernando Gaulin, secretary of Garcharl Investment Company Limited, received a contract, in which tenders were not called, to collect and dispose of garbage for the town in 1955. In that year he was paid \$22,000. That amount has risen steadily in the intervening period, all without tender, until now he is entitled to receive not the \$22,000 but \$65,520 a year. The present version of the contract purports to run for another 4 years.

As we all know, Mr. Speaker, it is beyond the capacity of the municipality to enter into such a contract that extends beyond the life of the council without the approval of the

Ontario municipal board. Such approval has never been applied for nor obtained. The hon. Minister assured the House that everything would be fine and the Prime Minister says it is a fine report.

23. A dump truck was rented from one S. G. Blake and a total rental of \$10,536 was paid for it from January 11, 1957 to May 13, 1960. A similar truck could have been purchased for \$2,500 to \$3,000. That is at pages 40 and 41 of the report. The hon. Minister assured the House that everything would be fine and the hon. Prime Minister says this is a fine report.

Interjection by an hon. member.

Mr. Singer: Well, it is going on a little while longer, so just be patient.

24. On December 30, 1959, a motion was passed instructing the treasurer to repay to members of council \$3,200 out of a fund for receiving distinguished guests, as this amount was expended by various members on behalf of the municipality. Cheques were issued to each councillor for \$200 and to the mayor for \$1,600. The mayor's cheque was drawn on December 29, the day before the motion was passed. I am quoting from page 44:

It seems quite clear that every one of the councillors was fully aware that this money was paid as additional remuneration to each of them as a member of council and not for receiving distinguished guests or for reimbursing councillors for monies expended on behalf of the municipality.

Again the hon. Minister assures the House that everything would be fine and the hon. Prime Minister says this is a good report.

25. The large volume of letters sent to him—and I am quoting from page 45—that is the auditor of the municipality, by officials of the department from 1955 to the present time—and remember, Mr. Speaker, this report is made in 1960 and they bring it right up to the present time—which criticized the manner in which audit reports were prepared and frequently requested the correction of various errors indicates that obviously there must have been many letters which came in the period from the passing of this bill in 1958 up to the time of this inquiry.

This is the same situation that we had in Belleville where the hon. Minister told us just a year ago that they sent out letters and did not bother to get replies. Here is one occasion where not only he had notice that something was wrong but he had given an assurance to the House, these letters went

out and nothing happened. We were told that everything would be fine and that this is a good report.

26. There was a shortage of cash in the treasurer's office from revenue from parking fines, and the receipts from the parking meters prior to 1959 were destroyed contrary to the legislation. Only 4 deposits of parking meter collections were made in 1959, cash was left lying around the office for long periods of time, \$1,000 was missing—parking meter funds were changed at the bank for bills and this is something I just could not understand at all.

The system was this: they brought the cash in to the municipality from the parking meters in silver, someone went from the municipality to the bank, changed the silver for bills, the bills were brought back to the municipality, put in a drawer and the drawer was not even locked and there were 3 or 4 deposits of parking meter collections made in the year 1959. The hon. Minister told us that everything would be fine and the hon. Prime Minister says that this is a good report.

27. I quote from the report:

For the past 8 years the financial administration has been carried on in a most unbusinesslike manner; it has been poorly planned, poorly directed.

This, Mr. Speaker, obviously includes—and this is a direct quote from page 50—the years 1959 and 1960, the time when the hon. Minister assured us that everything would be fine—and the hon. Prime Minister says this is a good report.

28. The administration of the town since 1957 has been marked by the same failure to budget properly or levy sufficient taxes. The hon. Minister assured the House that everything would be fine and the hon. Prime Minister says this is a fine report.

29. It was understood by the department—and this I think is particularly important—that the town would forward voluntarily its proposed budget for scrutiny by the department before submitting the debenture bylaw for approval. However, the budget was adopted, the levying bylaw was passed, and the tax roll prepared all without prior reference to the department. The department, on May 1, sent its representative to Eastview to examine the budget as adopted, which was found to be cut too close, and this was pointed out to the mayor. He assured the department's representative he would not overexpend the amount budgeted.

Apparently there was not much value in this assurance, and in the remaining 8 months

they overspent some \$71,950.56. Now there the hon. Minister had actual notice. He sent his own people up to investigate. He had undertakings from the people in Eastview. Those undertakings were not observed. Departmental officials went in, and all that resulted was additional overspending, and the hon. Minister told us that everything would be fine, and the hon. Prime Minister says this is a good report.

30. This is the last one. I quote:

We consider this matter of handling funds warrants further and complete investigation.

This is at page 71, and this is just one of the many references contained in the report to further investigations of various types:

We have endeavoured to leave alone matters of malfeasance and misfeasance because these are beyond our scope.

Mr. Speaker, surely there cannot be a better documented—and from a more impartial source—record of complete inefficiency—if not much worse. In the face of repeated suggestions for further inquiries of a different type than contained in the report, the government has not acted. Even though it is obvious, Mr. Speaker, that the responsible hon. Minister had in his possession subsequent to the passing of Bill No. 42—that is the Eastview bill—and subsequent to his undertaking to the House in this regard, information from his officials that all was not fine in Eastview, he took no action.

Action was initiated by a group of ratepayers at substantial expense to themselves. Surely we are entitled to something more from the government than fine speeches about municipal autonomy and fairy tales about Toronto as the hon. Minister told us on December 16. Surely it is but basic common-sense, Mr. Speaker, that there is a basic duty on this House and on this government to do something about situations such as this. Surely the hon. Minister has failed in his responsibility, surely he has failed in his undertaking given to the House and surely the hon. Minister should resign.

Mr. Whicher: A whole lot more over there should too.

Mr. Singer: Mr. Speaker, we are told from time to time that the final jury—and we have been told this by the hon. Prime Minister on so many occasions—is the jury of the people. In the riding of Russell up to this time only a tiny portion of that jury has been allowed to speak: those municipal voters who reside in Eastview.

If the hon. Prime Minister means what he says about the importance of this jury of the people, why then does he not submit this question to the voters of Russell? Why does he not ask the hon. member for Russell to resign his seat and contest the byelection?

If the jury of the people agree that what the government has done is correct, the hon. member will be returned. If the jury of the people disagree the hon. member will not be returned.

Whatever its verdict may be, Mr. Speaker, we too believe in the jury of the people and we would be prepared to accept this verdict that would be given in a byelection in Russell.

It is not enough, Mr. Speaker, to give us high-sounding words in answer to these serious problems. The existing legislation should be changed to clearly set out a number of things that it does not contain.

First of all, I think it should be abundantly obvious and clear by now that no person should be allowed to hold a provincial or federal office while being an elected municipal official.

Secondly, the municipal statute should be rewritten—there was an announcement about this yesterday and I am going to comment on that briefly just in a moment—so that, in clear and unmistakable language, those things which are permitted and those things which are not permitted are delineated. The hon. Minister made a statement to the House yesterday and I am going to deal with it in just a minute.

Penalties for the breaches should be clearly stated, and the penalties are not set out in this memorandum. What is needed is a legislative code of ethics, if you want to call it that, including definite dealing with conflict of interest and the need to disclose the same. Surely it should be recognized by now that a personal interest is no more serious, and sometimes often less important, than an interest in a limited company. There is no reference to this sort of thing in the present provisions of The Municipal Act.

Procedure for investigation should be clarified to allow the local council, if it so desires, to make an investigation, to allow a representative group of ratepayers to similarly act. Perhaps there should be some safeguard and perhaps a representative group of ratepayers should make a *prima facie* case to a judge and post a reasonable security in this regard, before an investigation is ordered.

The Department of Municipal Affairs should be allowed to order an investigation on

its own—not only allowed, but directed in certain instances that it should make an investigation.

Then, Mr. Speaker, and most important, if such an investigation reveals wrongdoing, the penalties should be readily understandable and the responsibility for enforcement—and we have seen this in this province on several occasions in the last few months—should be directly fixed on The Department of Municipal Affairs.

There should be no doubt that if a proper investigation has revealed that a municipal official has been guilty of malfeasance, he should be removed from office, and this responsibility should not be left to the initiative and expense of individual ratepayers. It should be accepted by the hon. Minister of Municipal Affairs and by the hon. Attorney-General (Mr. Roberts).

If the government is concerned about undue or arbitrary interference—and I anticipated that the hon. Prime Minister would raise this—let there be an appeal from such decision to the courts; but let there be some sort of action.

Mr. Speaker, yesterday the hon. Prime Minister announced the setting up of a select committee. I am very pleased that he announced it in the way he did and compliment him on the fact that he changed his views. If the terms of reference to the committee are going to be so limited, or so narrow, or restrictive, then the report of that committee could well prove abortive.

But the hon. Prime Minister remembers that, just a year ago, a motion asking for this type of committee was on the order paper. The hon. Prime Minister casually dismissed it with a wave of his hand. On February 9, he said he had a better way of doing it than this. Then, yesterday, he comes out and does exactly as we suggested and is copiously referred to in *Hansard* on pages 274 and 275, at which time the hon. Prime Minister was not in the mood to go along with our suggestion.

So I say, Mr. Speaker, perhaps at long last we are making some little bit of progress. I do hope that this select committee, in addition to having broad terms of reference, will be allowed by this government to roam over a broad field, and that there will be called before it experienced treasurers, experienced auditors, experienced clerks, so that their views can be heard and paid attention to.

I say this because these are the people who best know municipal administration. These are the people who deal with it from

day to day. They have a wealth of knowledge and experience, gained over the years, and their views should be, and must be, respected and paid attention to if this committee is going to do any sort of a job.

Mr. Speaker, the remarks of the hon. Minister when he spoke yesterday in connection with preparing a handbook were, I think, quite commendable. However, it is not too clear from what he said just what really is intended. The government is, at the present time, examining legislation on this subject and proposes, where deemed necessary, to amend such legislation with a view to its improvement.

I think, Mr. Speaker, in view of all that has taken place in the province in the past several months, and all the discussion that has taken place in newspapers and editorials amongst various groups, that the hon. Minister should have been able to tell the House at some time in the many weeks of sitting we have already had, what direction he is moving in, and what amendments he is proposing to introduce.

He says that, amongst other things, there will be considered the desirability of introducing an amendment which would require a member of council or local board to declare his interest in any matter being dealt with by such a body, and to refrain from discussion or voting thereon.

Surely, Mr. Speaker, at this stage, in this year, there cannot be any real doubt in anybody's mind about the desirability of making this sort of thing mandatory in legislation.

Then, Mr. Speaker, as one goes through the various sections in The Municipal Act and reads the various provisions that are there, one recognizes that these were prepared for a different day and a different age.

These are fine statements of general principle but they are not clearly spelled out; they are not definitive. The few matters that have come before the court indicate these things quite clearly. If ever a group of sections needed a thoroughgoing revision, so that they can be understood clearly by one and all who are affected by them—so that penalties can be set out, so that action can be indicated on the part of the government—this is the sort of action that should be indicated by the government at this session.

Mr. H. E. Beckett (York East): Mr. Speaker, you are to be congratulated on the very fine manner in which you conduct this assembly. It is a pleasure to sit here and

see you handle the affairs in such a proper manner.

I want to congratulate the two hon. members who were elected last fall from Simcoe Centre (Mr. Evans) and Timiskaming (Mr. Hoffman).

Mr. Speaker, I want to talk about the present form of government in Metropolitan Toronto, and perhaps to bring you up on the study made on this subject over the last 38 years.

Early in 1923 when I first became a member of Scarborough council, and in 1924 when I was a member of York county council, we worked and studied with the late hon. Mr. Henry on the matter of the formation of metropolitan areas in and around the city of Toronto. Mr. Henry was at that time Minister of Public Works and Highways in the government headed by that distinguished statesman, the late hon. Howard G. Ferguson.

After considerable study a draft bill intituled "The Toronto Metropolitan District Act" was printed. This bill was very drastic at the time, to such an extent that it aroused the people and the politicians in the so-called district, and as a matter of fact this bill never did reach committee stage. However, in the early days, those who participated in the formation of metropolitan areas did not stop and were not discouraged. And that was 30 years ahead of the time that Bill No. 80 was presented to this House.

We felt at that time, in 1924, that they were features which would be for the benefit of the people of the so-called metropolitan district. As a matter of fact, it is interesting to know that many of the features of that bill were incorporated in The Greater Winnipeg Act, which is chapter 60, 1960. And these are some of the features.

In 1924 we thought that the area south of Steeles Avenue—which is the area now Metropolitan Toronto—should be formed into a metropolitan district and be called the metropolitan district of Toronto. We suggested at that time that there be a metropolitan council, to consist of 24 members which is quite a coincidence, because the present council consists of 24 members. The 24 members were to be appointed by the municipal councils of the metropolitan district. The representation at that time was to be as follows:

City of Toronto, 12; same as today; the township of York, 3 members, township of East York, two members, one from each of the municipalities of Mimico, New Toronto,

Leaside, township of Scarborough, Etobicoke and the township of North York. It was proposed that one representative, appointed by the Lieutenant-Governor in council, should be the warden of the council.

We suggested that the council deal with sewers, all original road allowances, street railway transportation, police protection, garbage disposal and water supply.

"The whole district to form a metropolitan district for education and the metropolitan council shall be a board of education"—and I am quoting from the Act—"and have control of all public, high and technical schools."

In other words, we proposed in 1924 a common council to deal with practically all matters.

It will be noted there would be no boards of education in any of the municipalities, such as we have today. There would be one metropolitan board of education. However, the opposition was too strong and the bill did not survive.

The failure of the bill in 1924 did not dampen our spirits. A special committee was set up in York county council in 1925 to further study the subject. And in the years 1926 and 1927, I had the honour of being chairman of that committee. Many briefs were prepared and submitted to the various councils and to the Legislature. But there was no success until 1927 when Mr. Ferguson requested us to prepare a draft amendment to The Public Schools Act which would create metropolitan areas in any part of the province of Ontario, in which was situated a city of 100,000 people.

We prepared that amendment, it became part of The Public Schools Act, and in the 1950 statutes of this province was still part of The Public Schools Act.

The county of York did not see fit to apply a metropolitan area bill and no other county did likewise.

Concerning the members of that school board, if the bylaw was passed according to that section, the area would be divided into districts and there would be a member elected from each district. This is very similar to the metropolitan bill for the city of Greater Winnipeg, where the city of Greater Winnipeg is divided into 10 districts with a member elected from each district.

Mr. Speaker, our purpose in reviewing the form of local government and our attempts to decrease the number of councils and boards is to show what might have been done to lessen the tax demands on the government. We felt that if there were fewer

boards, fewer councils, there would be less competition to get more money from the government.

We then in 1933 and 1934 continued to press for some form of legislation. And in 1933 this Legislature appointed a select committee, the first one in the province, headed by the late Mr. Finlayson and of which I was the secretary. We prepared many briefs, had many interviews with businesses and local governments. Our purpose at that time was, if we could, to bring in a report to have metropolitan areas around Toronto, Hamilton, Windsor and Ottawa. We presented a preliminary report in 1934, and a very unfortunate thing happened in the year 1934. There was the election, and the committee went out of business. Hon. members all know what happened.

In the meantime, in 1932 The Department of Municipal Affairs was set up and that department—as well as supervising the defaulting municipalities—continued the study of the formation of metropolitan areas. Unfortunately, all of the municipalities in the so-called metropolitan area went in default except the city of Toronto, Forest Hill and Swansea, so that there was no further action taken and the same applied during the war.

It was not until 1949 and 1950 that the next step was taken by the city of Toronto when it applied to the Ontario municipal board to annex all of the area municipalities outside of Toronto. In 1952 the Ontario municipal board made a report and in 1953 Bill No. 80, which provided for the establishment of the Municipality of Metropolitan Toronto, was passed and that municipality began to function in 1954.

The composition of this council is well known to everybody. It is made up of the head of the council of each area municipality, two members of the board of control and one alderman from each ward of the city of Toronto. This makes a total of 24 members and there is a chairman elected by the members but not by the people. He also has a vote.

In 1949, when the city of Toronto applied for annexation, the city had a population of 680,000 and the population of the 12 suburban municipalities was 317,133.

I do not think there is any question in the minds of most of the people of Metro but that the metropolitan council under the very able chairmanship of Mr. Gardiner has done great work; work which could not have been accomplished by one area municipality alone; such as trunk sewers, trunk watermains, arterial highways and the extension of the

transit system. However, a lot of us feel that the nonelection of the members of the council is far from being democratic. The province of Manitoba has profited from this and the members of the Winnipeg metropolitan council are elected by the people for a period of 4 years.

Today the population of the city of Toronto is 653,000 compared to 683,000 in 1949. They are going down in population. The population of the suburbs is 850,000 as compared to 313,000 in 1949. And yet today we have the city of Toronto having 12 members and the suburbs having 12 members. In other words, each member from the city of Toronto represents a little over 50,000 people, and the heads of Scarborough, North York and Etobicoke representing 200,000, 250,000 and 175,000, have one vote each.

The population of the area municipalities, as I just showed, is now nearly 200,000 people greater than the city of Toronto. It has been suggested that these municipalities with the larger population and assessment—such as Scarborough, North York and Etobicoke—should have 4 votes each, and smaller municipalities, such as New Toronto and Long Branch, should have one vote, but the 4 votes are to be given to one individual on a system of multiple voting.

My submission, Mr. Speaker, is that a multiple system of voting is not democratic for the following reasons:

There is too much power placed in the hands of one individual. This one individual could be a weak or disinterested member. The area municipality with a weak member would be in jeopardy.

This system would greatly change the voting balance. Today there are 24 members and a simple majority of one is all that is necessary. Under a multiple voting system all you would need would be 8 members holding the large number of votes, 8 members out of 24 holding the balance of power.

Where you require a two-thirds majority of council it could be controlled by 13 members out of a total of 24, instead of by 16 members as at present. A one-third majority of 5 or 6 could block the actions of 18 or 19 members.

This would apply to the appointment of the TTC commissioners and other appointments. It could not solve representation by population.

For instance, the township of North York, with a population of 250,000, would have 4 votes. York township, with a population of

123,000, would have 4 votes also, with 105,000 less people.

The introduction of multiple voting—and I do not say it is going to happen but it has been suggested—would be fraught with unknown dangers and could give rise to infinitely more difficulty than those which it is intended to correct.

Professor John Grumm, in *Metropolitan Area Government: The Toronto Experience*, published by the University of Kansas, has stated on page 37 that unproportional representation is more of a theoretical difficulty than a real impediment to the operation of metropolitan government. As I mentioned, there are very few occasions when there is a strong division in the council on a final vote on an issue.

Another more serious difficulty would be that 25 members with a single individual vote would sit in committee and vote on measures and amendments to them, and then immediately move into council and vote on the same issues with a different voting strength. Unless the members had multiple voting in committee, there would be a different basis when voting in council and there would be much confusion.

One could imagine the difficulties that this might create in the Legislature if voting strengths of the members of provincial Parliaments were altered to reflect the population of their respective constituencies. I myself represent 200,000 people, and if we had a multiple voting system, I figure it would cause confusion.

When Mr. Gardiner submitted this matter to the commission appointed by the government in 1957, he suggested that it might apply to important matters. It now appears the word "important" would be deleted and that it would apply to all matters. Even if this were limited to important matters, who is to determine what is or is not important? Once upon a time a coal scuttle was an important issue, and there have been occasions when there has been what may appear to be a minor matter that has had an important bearing on the issues.

It is also worth noting that in The British North America Act, provisions were made for Prince Edward Island to always have 4 members, and New Brunswick and Nova Scotia to have 10 each, in the House of Commons, so that while we have generally adhered to representation by population there have always been variations in it in the formation of our legislative bodies in Canada.

I think the whole question should be studied by this Legislature before we adopt what has been described as a short-term solution.

I quoted the 1927 amendment to The Public Schools Act, and I now suggest that the election of 6, 9 or 12 members to the Metro council from the whole area would help to heal a situation of city versus suburbs. We could have the electors voting for members of the Metro council who would be responsible directly to all the people of the Metro area.

For the information, Mr. Speaker, of the hon. members, I would like just to outline briefly the features of The Metropolitan Winnipeg Act. I think it is worth the consideration of all the hon. members.

The metropolitan area of Winnipeg is divided into 10 divisions; each division to contain as nearly as possible the same number of electors; each division to contain portions of two or more area municipalities. In 5 of the divisions the majority of the electors must be resident in Winnipeg, and in the other 5 divisions the majority of the electors must be resident outside the city of Winnipeg. One member is elected by the electors of each metropolitan division. First members are elected for a period of 4 years and thereafter for 2 years.

"The metropolitan council shall appoint"—and this is so different to our metropolitan council—"a director of finance, a director of assessment, a director of planning, a director of streets and transit, and a director of water supply and sewage disposal."

Mr. V. M. Singer (York Centre): How are all those people appointed in Metropolitan Toronto?

Mr. Beckett: Metropolitan Toronto operates by boards and commissions to a certain extent.

Mr. Singer: Mr. Speaker, would the hon. member permit a question?

Is the hon. member suggesting that the works commissioner or the planning director or the roads commissioner are not appointed by the metropolitan council?

Mr. Beckett: No, not at all.

Mr. Singer: I am sorry, I misunderstood the hon. member.

Mr. Beckett: I have not finished.

The council has sole and full responsibility over all these directors. There are no

boards, there are no commissions in the metropolitan council of Winnipeg. The jurisdiction of every municipal council and boards and authorities in connection with planning was determined when the bill was passed.

As I said, there are no boards or commissions such as we have here. Everything is controlled by the elected members.

The matter of the form of Metropolitan Toronto's government is most important to all of us. It is legislating for 1.5 million people, one-quarter of the population of the province. So I contend it is most important.

As a result I feel—and later I will tell the House why—that a committee of this Legislature or Royal commission should be appointed to examine the present system and the working of the metropolitan government, to recommend changes, if necessary, in the government structure. I feel that a committee appointed by the metropolitan council itself, composed of 12 city members who favour amalgamation and 12 suburban members who are opposed to amalgamation would be biased right from the beginning.

Further, as far as I can ascertain, for the last 38 years since I have been studying this matter, any appointed body set by any Legislature in the United States or by the House of Commons in England, has been established by those high bodies. They have set up the committees and they have set up the Royal commissions. And they have in each case brought in their reports through the Legislature.

I feel that it is questionable, with a representative form of control, whether the best municipal administration can be expected from a strictly centralized government where a city has a million or more people.

It may be desirable that there should be some form of local government—and I mention these facts to offset a move for amalgamation—carried on by those who appreciate local needs and who are in touch with the people of the different localities.

I feel no system of government can be considered satisfactory over which the people have not a direct control through representatives chosen by and responsible to them.

The question of complete amalgamation, if such should come about, should be submitted to a vote of the electors of all the area municipalities and should be adopted by an affirmative vote in a majority of the municipalities and a majority of votes in the entire metropolitan area as well.

The government of the rapidly-growing

metropolis of London, England, has been the subject of many inquiries. Many select committees of the House of Commons have considered this. There have been private and government bills and it has been examined by at least 3 Royal commissions. And just last October the last Royal commission made its report after a study of 3 years.

The result of these inquiries was the establishment of modern local government.

In 1894 the Royal commission on the amalgamation of London and the county of London reported in favour of amalgamation. But what did the government do? The government did not follow that report. It did the reverse. It set up larger districts and boards in the county of London and vested them with greater powers and dignities. This brought about The London Government Act of 1899 which set up the present 28 metropolitan boroughs and that is what they have in London today.

I feel, Mr. Speaker, that the members of the metropolitan council should be elected directly by the people.

The chairman should be one of the members of the council.

There should be equal representation according to population.

There should be more administration by the members of the council—such as the Winnipeg bill.

There should be a fewer number of boards and commissions.

If there must be a transit commission, then it should be appointed at the pleasure of the council and should have control over the major arteries.

There should be a uniform rate for education; at the present time there is a different rate in each area municipality.

Mr. L. Troy (Nipissing): Mr. Speaker, I know that in your tenure of office you have spent long and tedious hours here. I have noticed that you have been very sympathetic to we inexperienced members and also that you have maintained your sense of humour.

Reference has been made by several speakers to the demise of two former hon. members, the member for Simcoe Centre—

Hon. L. M. Frost (Prime Minister): Might I suggest to the hon. member for Nipissing that he adjourn the debate? It is 5 minutes to 6 o'clock and I think it would be better if he would adjourn the debate so that he can go on the next day, without further interruption.

Mr. Troy: It certainly is a pleasure for me to move the adjournment of the debate tonight because I feel I will have a much larger and more receptive audience the next day.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, I might say that the order of business tomorrow will be the Throne debate, and we will do our best

—if the Whips co-operate and collaborate—to get the audience that the hon. member speaks of.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, January 26, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, JANUARY 26, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome in the west gallery, as our guests, students from Our Lady of Perpetual Help school, Toronto.

Presenting petitions.

Presenting reports by committees.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's third report which was read as follows and adopted:

Your committee begs to report the following bill without amendment.

Bill No. Pr14, An Act respecting the town of Arnprior.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr3, An Act respecting the board of trustees of the Roman Catholic separate schools for the town of Port Colborne.

Bill No. Pr8, An Act respecting the Port Arthur YM-YWCA.

Bill No. Pr12, An Act respecting the town of Richmond Hill.

Bill No. Pr18, An Act respecting the township of Calvert.

Bill No. Pr29, An Act respecting the town of Leaside.

Your committee would recommend that Bill No. Pr39, An Act respecting the township of St. Joseph, having been withdrawn and the bill not having been printed the total deposit be refunded.

Mr. Speaker: Motions.

NOTICE OF MOTION

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I give notice of this resolution arising out of the discussion of the proposals I

made yesterday afternoon and I propose that this should be placed on the order paper:

A resolution:

THAT the select committee of this House ordered on April 8, last, and appointed on April 12 last, to inquire into and review all provincial legislation and regulations respecting the expropriation of land by public authority be reappointed and continue with the same membership and with the same powers and duties as heretofore.

Now, sir, that can be placed on the order paper and as I intimated yesterday, if any of the hon. members at that time want to discuss the deliberations of the committee, it will be satisfactory on that resolution.

Mr. Speaker: Introduction of bills.

Orders of the day.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, I want to intimate to the House the order of business tomorrow and also the order of business for the few days ensuing. But before doing so I should like to make mention of the fact—and I think this is an unusual procedure—that sitting in the House is an old member of the Legislature whom we have not seen for some time, Mr. W. J. Grummett.

It is nice indeed to have Mr. Grummett rise and acknowledge us. He first came into the House in 1943—I believe I am correct—and he was, for some 12 years following, a valued member. As a matter of fact, I did my best to convert him to my way of thinking; I would not say altogether without success.

I am very glad to see him looking so well, and I am sure hon. members of this House would like to express their good wishes to him.

Tomorrow I shall endeavour to table some further estimates, perhaps a half-dozen departments that can be given consideration in the ensuing days. I think there is one estimate presently tabled and that is of The Department of Travel and Publicity. I may say to my hon. friend from Kenora (Mr. Wren) that the outfitters people have asked for

consideration to be given to those estimates very shortly, which removes the point that he has been—

Mr. A. Wren (Kenora): They are not the only organization in the north.

Hon. Mr. Frost: Well, I agree with that, of course, but I believe that was the principal objection of the hon. member. However, we will not get into matters controversial or argumentative at this time. I will say this: we shall try to accommodate the hon. members so that these matters can be dealt with in good time, and with plenty of opportunity to discuss them.

The legislation on the order paper will be—

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, would the hon. Prime Minister permit a question at this juncture?

With respect to the estimates, I realize that we agreed prior to Christmas that we would do several of these estimates which are not intimately related to the budget prior to the time the budget was introduced. However, now we are nearing the time for the budget to be introduced, and I wonder whether it is advisable that we continue this procedure at this particular time, or whether we should wait until after the budget has been introduced.

My questions, Mr. Speaker, would be these:

1. Can the hon. Prime Minister advise us when the budget will be introduced?
2. What specific estimates will be introduced at this particular time?

Hon. Mr. Frost: First of all, sir, in connection with the estimates, my hon. friend knows it is the custom in some other Legislatures and Parliaments to introduce the estimates some considerable time before the introduction of the budget. The merit of that is that it enables them to have the consideration of the estimates and their discussion in a more ample way, which has been, of course, the tendency here.

I would say to my hon. friend that I think the procedure we are adopting can at least be taken as a trial run and it might be desirable to do that in subsequent years.

Concerning the introduction of the budget, in the ordinary course I should say that about the middle of February would be the time for its introduction. **But I will be quite frank** in saying to my hon. friend that this is dependent upon receiving a firm decision from the federal government at Ottawa in

relation to the matters which are, and have been, under discussion since the federal-provincial conference which is presently convened.

I understand that the decisions will be forthcoming shortly. I would say it is essential to this province that we know those decisions. I frankly do not think it is possible to proceed with a survey of the affairs and problems of this province unless there is a decision on the part of the federal government in connection with the very serious proposals and the very definite affirmations which we made concerning the rights of this province and other provinces in the fields of certain taxation.

I would have difficulty in coming to the conclusion that we should prepare and propose to this House and to the people of this province a budget which would be surmised on any further doubt in connection with those matters. For that reason I am hopeful that the budget will be brought down some time in the week of the fourteenth—that is Valentine's Day. However, I am not aiming at that particular day.

Mr. D. C. MacDonald (York South): Another love affair.

Hon. Mr. Frost: Pardon?

Mr. MacDonald: Another love affair. Hearts and flowers.

Hon. Mr. Frost: Well, if the CCF hon. members wish to regard it in that atmosphere, it is all right with me.

I think in the ordinary course of the timetable which has been followed out in previous conferences, that it is at the time that the decision is made available to the Legislatures of Canada. I think, sir, that answers the questions of the hon. leader of the Opposition.

Mr. R. M. Whicher (Bruce): I thought the hon. Prime Minister was sure about getting that \$150 million.

Hon. Mr. Frost: I am not talking about the \$150 million. I am talking about the letter that conveys the information.

Mr. Wintermeyer: May I ask the hon. Prime Minister exactly what decision he is waiting for? These agreements will not terminate until April—

Hon. Mr. Frost: Well, of course, that is so, but I think my hon. friend will agree—and this has always been the case—that it is

necessary to make a determination based upon that.

For instance, if the provinces are to collect certain taxes, we must remember that those coincide with the calendar year, not with the fiscal year. Therefore, legislation and the arrangements have to be made by this Legislature to meet the situation because there would be an overlap in our fiscal year and the calendar year.

Now those are matters of very considerable importance. As I say, we are awaiting those decisions which in other years were always made some time in January.

I think next Wednesday we can have a full committee day. We will have to see that the coach gets the teams off working on that particular occasion.

Tomorrow we will meet at 10.30 o'clock and deal with the Throne speech. If there are some matters on the order paper that are not controversial we might deal with those; but I would leave it at this, that tomorrow would be principally a day of dealing with the Throne speech.

Before the orders of the day, also let me say that we have something that has been unusual for 1961 so far, and that is a snow storm. That raises the question of safety in certain of our public buildings. I would say that this is a matter about which I have expressed great concern before in this House. I have asked 3 of the hon. Ministers involved—the hon. Minister of Health (Mr. Dymond), the hon. Minister of Education (Mr. Robarts) and the hon. Minister of Municipal Affairs (Mr. Warrender)—to make short statements in connection with what has been done and the communications that have been addressed to other public authorities in connection with that problem.

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, the matter of safety precautions and the elimination of hazards to safety, particularly in regard to fire, has been one of continuing concern to The Department of Education.

There is no doubt that the responsibility for the provision of safe accommodation rests, under the various statutes, with the local school boards. Nevertheless, The Department of Education has provided advice and recommendations to the boards through its inspectors.

Last spring, between the dates of May 27 and June 1, inspections were made of 42 schools in Essex county by the Ontario fire marshal's office. Copies of the reports of these inspections were, in due course, sent to

The Department of Education and, in turn, the department forwarded the reports to the school inspectors concerned in order that they might discuss them with the local school boards. The inspectors were asked to report to the department regarding the action taken by the boards. Subsequently, a reinspection was made. This re-examination was done between September 12 and September 29, 1960, and the fire marshal's report dated November 29, 1960, set out the degree to which his recommendations had been carried out.

The complete data contained in these reports has not been made public as it is considered to be a privileged communication between The Department of Education and the school boards involved: it is not the practice of the department, nor would it be proper for the department, to make public all its correspondence with the boards on the many matters which receive attention and consideration between boards and the department during the course of a year.

The names of the boards whose schools were the subject of these examinations are public knowledge, and anyone desiring information concerning the reports or the action of the boards on specific recommendations may request from the board concerned which will, in its wisdom as an elected body, deal with the request.

There are many practical difficulties facing the local school boards in regard to this matter of safety. All new construction throughout the province is, of course, approved by the fire marshal's office prior to the commencement of construction. However, there are in the province areas with schools 40, 50, and, indeed, 100 years old and it is in these areas that the greatest difficulty occurs.

The fire marshal very properly has rigid and modern standards in order to achieve the very highest degree of fire safety. Many of these standards are quite impossible of achievement in the rural areas of our province and it is virtually impossible to establish fixed standards which would be applicable to all parts of our province, both urban and rural, regardless of the age of the buildings involved. All hon. members of this Legislature representing rural ridings will undoubtedly agree that a good deal of commonsense must be used in establishing standards of, and requirements for, the smaller and older school buildings.

While the provision of safe accommodation and the provision of adequate fire drills remains the responsibility of the local school

board and the principal, nonetheless the department's inspectors have always given attention to these matters in their inspections of the schools of the province. It was felt that the whole matter should be drawn more forcibly to the attention of the boards of trustees in the province and, with this in mind, on January 18, the following memorandum was directed to all boards of elementary and secondary schools in the province.

Re: Hazards in school buildings

The Minister of Education wishes to bring to the attention of all boards of elementary and secondary schools the responsibility of boards regarding the provision of safe accommodation for pupils.

Boards are urged to make a detailed examination of their school buildings with particular reference to the existence of any hazards to safety within the building, and to safe evacuation of the pupils in case of emergency. Particular attention should be paid to existing fire hazards such as the lack of two exits, the lack of adequate fire escapes, collections of rubbish and disposable material, collections of waste paper and paper decorations and instructional material in the neighbourhood of oil stoves, burners and exhaust pipes, obstructions in aisles and spaces leading to exits, and matters of a similar type.

The removal of such hazards and the provision of necessary facilities should be effected forthwith. A board may wish to get in touch with the fire chief of its local municipality for advice, or for assistance in an examination of its buildings.

The attention of elementary school boards is drawn to the requirement that the principal shall hold a fire drill in the school at least once each month, and that every pupil shall take part in the fire drill.

The attention of secondary school boards is drawn to the requirement that the principal shall hold a fire drill at least 3 times during the first school term and at least twice during the second term, and that every pupil shall take part in the fire drills.

Mr. F. R. Oliver (Grey South): Mr. Speaker, may I ask my hon. friend a question in relation to this very new material he has given to the House this afternoon? Does he propose to undertake to send a copy of his remarks to the school boards of the province?

Hon. Mr. Robarts: Well, Mr. Speaker, that memorandum that I read, that latter part of this whole statement, is a memorandum that was mailed on January 18.

Mr. Wintermeyer: Well, what is the purpose of reading it to us today?

Hon. Mr. Frost: So that the hon. members across will know what we are doing.

Hon. Mr. Robarts: The only purpose is to give this information.

Mr. A. J. Reaume (Essex North): Here is a report that affects probably the lives of thousands of little pupils in the whole of the province. If there ever was a report that ought to be made public, this is it. There is no use in hiding behind the screen and saying that the department does not want to make it public. I think the report that was prepared, I assume by the orders of The Department of Education, along with the hon. Attorney-General (Mr. Robarts), affected a large number of schools in the province.

If there are firetraps in schools in this province the people of the province ought to know. The only way we will ever find out is for the hon. Minister to table in this House that report and make it public.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, may I ask the hon. Minister of Education how many schools—

Hon. Mr. Robarts: I hope this will be a better question than the last one which was no question at all, but just a statement.

Mr. Wintermeyer: Is the hon. Minister going to table the report?

Hon. Mr. Frost: We will give the hon. leader of the Opposition a list of the school boards. Go to the school board.

Mr. Wintermeyer: No, no, Mr. Speaker. This is a matter of public consequence. The hon. Minister has said that this is an important public matter that should be brought to the attention of this Legislature, yet he is not giving us enough information to make some intelligent judgment. This report should be tabled in this very House.

Hon. Mr. Robarts: The name of every school where inspection was made has been made public.

Mr. Wintermeyer: That is nonsense, pure nonsense. We want the substance of the report, not the names of the school boards.

Mr. Speaker, in every way I can I am going to formally demand that this report be tabled just as soon as possible in this Legislature.

Hon. Mr. Frost: Might I point out to the hon. leader of the Opposition how really foolish this is? I do not think it is intentional that such is the case, but may I point this out. The jurisdiction over schools and school buildings is with the local boards. That is inherent and implicit in all the Acts and, as a matter of fact, in some of our schools it goes back to the Acts of Confederation. These things are based upon the rights of the local people.

What we have been trying to do, what we are doing, with our school boards is to counsel them and help them in these matters. We have no desire to cause embarrassment and difficulty to the little public and separate schools of this province. We are anxious to be helpful to them, and we want them to regard us as a source of help and information.

With our counselling services we are giving this information to the school boards. As a matter of fact, we propose to make spot checks over a wide area and tell our people about these things. Now with that, we create a consciousness and awareness without interfering with the autonomy and with the authority of these boards.

Mr. Wintermeyer: Well, safety certainly is of public interest.

Hon. Mr. Frost: The hon. leader of the Opposition will realize this situation, and will understand the difficulties of making inspections because there is such a variety of standards and conditions of all kinds spread over a tremendous land area. I went all through this in the days of the Moose Hall disaster when some of the hon. members of this House were present. We had a very thoroughgoing inquiry into that matter. In the end we found that it was quite impossible to set up standards which would apply to public halls across this province because of the differing situations.

For instance, even if we were to zone the province, we found that we were in almost an impossible position in connection with public halls and partly in connection with churches. As a matter of fact, we had no desire to interfere with the churches of this province and therefore we determined to eliminate them entirely and leave it to the commonsense of the various congregations and various parishes in this province.

We found no substitute for this in connection with public halls. The matter was one for local determination and local consideration.

What we did was this: We prepared a model bylaw containing minimum standards. Now if you go to construction people, if you go, for instance, to the fire marshal, you may find that they require steel beams and crash hardware that some of these people never heard about in their lives, and which would be about as useful as a fifth wheel to a cart in some of these cases.

Mr. Wintermeyer: They are all safety measures.

Hon. Mr. Frost: We prepared a model bylaw which will be referred to here in a moment. As a matter of fact, we will distribute it to the hon. members of the House to see. This model bylaw was prepared some years ago, and we send it out periodically to the municipalities, not as an indication of what they must do but as an indication of some of the things at least that they might do, in all commonsense, to deal with problems of public safety in their communities.

The hon. leader of the Opposition will see the problem. If he were to travel this afternoon from here to the town of Bradford, for instance, he would find a municipality of different conditions in this city, in its environs, and in the municipalities in the villages.

As a matter of fact, some of these schools run back for 100 years. We are dealing with communities who have problems which are very large to them. Now in the end, one will find in all of these schools, that it is the element of commonsense and the ordinary little things that apply to safety that count.

As a matter of fact, I was in the municipal hall in my own community at the inauguration of the council a few days ago; a hall that has been there, I suppose, for 100 years. It is something like the hall in Kitchener, although perhaps I should not go that far. In any event, it is a hall which has been there since the beginnings of time and as a matter of fact until a short time ago there was only one exit in the hall and that was down a long hallway. In commonsense, those people have avoided all decorations. The paper decorations and things that cause flash fires are out. They have constructed a fire escape. They have put indications where the exits are, and have installed what is known as crash hardware.

While one would never get an inspector to pass that building today, I think our people would say that it is a reasonably good and safe building and if there is trouble the

people can get out. I think that is the way we have to look at this problem.

Mr. V. M. Singer (York Centre): What about new buildings? Surely they can control those?

Hon. Mr. Frost: Of course. New buildings and schools are all inspected now. That is quite different.

We are talking about the little red school-house which, in many cases, has been standing there for 100 years. What about them?

Mr. Wintermeyer: Why do we not talk about it all together?

Hon. Mr. Frost: Are you going to tear it down and build an elaborate building? After all, sir, I think there is such a thing as good commonsense. That is what we have been endeavouring to carry out, and I say to the school boards of this province that I believe what is being done with them and with public buildings is going to help a very great deal.

I am also conscious of this; I think about it very much. I was interested in one little school I saw the other day, not far from where my wife and I live, out in the country. I noticed the improvements made in that little school. Knowing the community, I would state that they are ample. They are doing the work in the wintertime and they are providing some work and wages in the community, and I consider that to be a sensible thing, at this time.

Mr. Wintermeyer: Mr. Speaker, I think we have had nothing more than a trip around the mulberry bush. We are talking about school buildings at the present time and I realize the same fire hazard extends to other buildings and the like. But, at the moment, I am interested in school buildings. Others may be interested in public buildings of another sort.

I think it is the business of this Legislature to know whether or not there are any small schools, one-room schools, in this province that are deemed by the fire marshal to be fire hazards. That is public information, and I do not think it is for the determination of any school board to make that particular decision.

If there are fire hazards, let us know them. I think it is our responsibility to take the necessary steps to remove the danger that is inherent in the condition; a danger that is going to cost the lives of little children in this province. I suggest that it is a matter of serious concern in this Legislature.

Mr. Speaker, for that reason I think there is all the justification in the world for knowing the significance of the report and not merely the schools to whom the report has been sent.

I would, therefore, ask the hon. Minister of Education whether the report suggests any of the schools in the province of Ontario present fire hazards at the present time.

Hon. Mr. Robarts: All I can say is that the report contains certain recommendations which particularly concern schools in the rural areas. For instance, one of the recommendations requires that wooden shingles on all schools be replaced with asphalt shingles in order to make the roofs fireproof. It does not say that a wooden roof is a fire hazard, but it says if the people are going to make a completely fireproof building, they must use asphalt shingles.

I am going to ask the hon. member for Bruce if he would like to have those responsible for every school in his riding which has a shingled roof to be forced to replace the wooden shingles with asphalt shingles.

Mr. Whicher: If the hon Minister will give us the necessary grant, we will be able to do it.

Mr. Macdonald: Mr. Speaker, I would like to ask the government a question. To whom it should be put, I am a little uncertain at this moment. Quite frankly I am seeking to find out what the government policy is on this issue.

For example, the carpenters' union came in and presented a brief. In that brief they outlined this problem, because many of them have children and they are interested in obtaining some winter work and in doing some renovating.

I am puzzled as to what government policy is when the hon. Minister of Labour (Mr. Daley) says he has listened to many briefs but he never listened to one which contained so much "blankety-blank"—the word is not parliamentary so of course I shall not mention it here.

This is what I cannot understand. We have a fire marshal whose job it is to apply certain regulations with regard to buildings. He goes in and makes a report which presumably is a very embarrassing report. Now the government once again takes refuge in the autonomy of the municipality. This is a matter, they say, that the municipality can decide in its own good judgment.

If these regulations are not sensible regulations then throw them out the window

and bring in some sensible regulations. Then the school boards, the ratepayers and the community will have to decide whether they want to foot the bill and put on asphalt shingles instead of wooden shingles, and so on. At least, have confidence in the intelligence of these people and let them make their own decisions.

Before I sit down, Mr. Speaker, I want to ask you a question, and it is not in relation to this; it is in relation to what we do in this House.

Yesterday a statement was made by the hon. Minister and the government chose to cut us off because it was the hon. Prime Minister's interpretation of the rules that there should be no debate. Today we have another statement and the debate has gone on for half an hour. The hon. Prime Minister says he lives in accordance with the rules of the House, but once again, Mr. Speaker, it is the rules of the House as interpreted in accordance with the law of Killaloe. When it serves his purpose he cuts out the debate, Mr. Speaker, and I submit that some time soon the rules of the House have to be ascertained. Some time soon when the hon. Prime Minister says we cannot debate something that is embarrassing we shall insist that it be debated.

Hon. Mr. Frost: Mr. Speaker, I think there is merit in what the hon. member says. I think a good deal of what has been said here is out of order. I think, sir, the procedure is that a Minister is entitled to, and is expected to, give the hon. members of this House the facts. I think the proper place to discuss this matter is on the estimates of The Department of Education, or there might be some other time or opportunity. But I agree with him; I think our discussion here has been pretty free and easy. I believe it is in order that once a statement is made there can be questions directed to it; but I think the statement I made myself was out of order.

Interjection by an hon. member.

Hon. Mr. Frost: I will include that, sir, in the good company that includes the hon. member for York South and the hon. leader of the Opposition and certainly the hon. member for Essex North. I would want to keep him in it. I think they are all out of order.

Mr. M. Belanger (Windsor-Sandwich): I would just like to say a word on this thing—

Mr. Speaker: Order.

Mr. Belanger: No, I want to say a word on it.

Mr. Speaker: Order.

Mr. Belanger: I do say other hon. members have spoken, why should I not speak on it?

Mr. Speaker: Order.

Mr. Belanger: After all, my goodness, why can I not speak? Other hon. members of this House—

Mr. Speaker: Order, order.

I am quite sure this matter has been answered sufficiently at this point.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, this statement is factual, non-inflammatory, non-provocative and very informative and it may be discussed at will when my department estimates are before this House.

The Department of Health is constantly and deeply concerned about safety in all public buildings under departmental control. Because of the peculiar nature of the institutions, extraordinary precautions are demanded at all times.

In the case of the Ontario hospitals, where, because of the nature of the patients' illness, the danger of fire may on occasion be great, a very vigorous and well-organized system of fire safety is carried out. The principle features are as follows:

1. Fire drill is held monthly in each hospital.

2. Electric fire alarms have been installed, or are in the process of being installed, in each hospital.

3. Every hospital has a night staff, and in the instances where small fires have occurred, I believe the fact that they did not become more extensive is due to the night staff.

4. Every hospital has a night fire patrol.

5. Every hospital has fire-fighting equipment—both reels and fire stations—in strategic places throughout the hospital equipped with fire hose, stand-pipes and/or extinguishers. Special extinguishers are provided for in areas where there is a possibility of grease or electrical fires. Extinguishers carry a date tag so that they are renewed as indicated.

6. In a number of the hospitals, the local fire department has given instructions to the ward staff in fire fighting. The maintenance staff in every hospital has the principal responsibility for the maintenance and use of fire-fighting equipment.

7. All new construction is fire resistant. A great deal of work has been done in recent years on fireproofing stair wells and other strategic points in the oldest hospitals.

8. The department has employed a fire inspector for the past 10 years who has exercised careful supervision of fire safety measures.

9. At present, the department is interviewing prospects for appointment as regional fire inspectors in collaboration with the fire marshal.

It is of great interest and, I believe, indicative of the effectiveness of our programme of fire safety that, over the past 10 years, losses due to fire have been all but negligible. It should be borne in mind again that the circumstances and peculiarities of the illness of many of our patients make it a very pressing matter.

Property damage—that is the replacement value of property damaged by fire—is estimated at \$50,000 over the 10-year period. I would remind the House that the province has an asset in these hospitals far in excess of \$200 million.

There has been no loss of life, we are very pleased to say, nor has there been personal injury to any patient or staff member in this period.

Other buildings under control of this department are chiefly the central and regional laboratories.

In view of the fact that certain equipment and agents, necessary in carrying out the functions of these laboratories, increase the danger of loss by fire, special precautions have to be taken throughout. The laboratories were thoroughly inspected by the fire marshal's department and, wherever recommended, special equipment for fire safety has been installed.

The central laboratory is equipped with an automatic fire-alarm system of the latest approved type. This is checked regularly by the Toronto fire department and by our own building maintenance superintendent.

Regional laboratories situated in government-owned buildings also have suitable fire-alarm systems.

However, regional laboratories situated in municipally owned buildings are not all adequately protected with fire-alarm systems. As quickly as is possible, we are moving out of such buildings into fireproof structures adequately protected.

While the Ontario hospital services commission may be considered to have responsibility for the general, convalescent and

chronic treatment hospitals of Ontario, it is recognized that these institutions are all under the complete control and management of local boards of trustees, directors or governors.

In keeping with our belief in and support of local autonomy wherever possible, we look, then, to those hospital boards to ensure the recognition and enforcement of all regulations, particularly in regard to fire safety. The Ontario hospital services commission's inspection and consultative sections are ever ready to help and advise boards in any way possible.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, may I ask the hon. Minister a question? Is the statement something new or have these precautions been taken in the past?

Hon. Mr. Dymond: Mr. Speaker, these precautions have been taken for a long time. I stated that this was a statement for the information of the hon. members. The hon. members have not all been here for 10 years any more than I have, and we think it is a good idea to remind them, just as I remind my superintendents frequently.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I should like to make an informative statement.

On December 21 last, I caused to be sent out to all the clerks of municipalities a notice warning them of the dangers of permitting the accumulation of ice and snow on the roofs of public buildings, especially rinks, curling rinks, skating rinks and community halls.

Since that time, after talking to some of the municipal people, we thought we should emphasize that there may be other dangers than the accumulation of snow and ice and I should like to give this statement which I am going to forward to all the clerks of the municipalities. I quote:

In my memorandum of December 21, 1960, which related specifically to the removal of snow from roofs, I indicated that buildings or structures used as places of assembly should be inspected for structural defects and weaknesses as well as for accumulations of snow and ice on roofs, and drew your attention to the powers available to every municipal council in respect of snow removal.

This is only one aspect of the safety of buildings and it is important that you bring to the attention of your council that generally speaking, with certain limited exceptions, safety of public buildings from all

aspects is the responsibility of the council and that the power to ensure such safety is available to all municipalities.

Recapitulation of all the relevant statutory provisions appears to be unnecessary at this time. Your attention, however, is directed to section 379(1), paragraphs 38 and 40, of The Municipal Act, RSO 1960, chapter 249, which empower councils to pass bylaws requiring buildings to be put in a safe condition and for authorizing inspection of such buildings.

Particular regard should also be had to section 31 of The Planning Act, RSO 1960, chapter 296. Under subsection 11 of this section, councils may compel the provision of fire escapes for buildings of more than two storeys in height. Under subsection 14, councils may pass bylaws for regulating the repairing or alteration of existing buildings so that they may be, as nearly as practicable, fireproof.

Very extensive powers are granted to councils under subsection 16 of this section which permits councils to pass bylaws authorizing the pulling down or repairing or renewing, at the expense of the owner, any building which is in an unsafe condition as regards danger from fire or risk of accident. It should be particularly observed that these powers may be exercised whether or not your municipality has a comprehensive building bylaw or an existing building inspection staff.

I should like to emphasize again the serious and important responsibilities devolving upon municipal councils in respect of safety of the inhabitants while assembled in public buildings. It is my sincere hope and confident expectation that your council, having been made aware of these powers in this respect, will conscientiously fulfill the obligations resting upon it.

Mr. Singer: May I ask the hon. Minister a question? Has the hon. Minister received a brief from the Ontario recreational association with regard to public buildings?

Hon. Mr. Warrender: I do not believe I have.

Mr. Singer: I have one. I will make a copy available. I would like the hon. Minister to see it.

Hon. Mr. Warrender: Send it along, I would like to see it.

Hon. Mr. Frost: Just to close off this matter, I may say to the hon. members oppo-

site that this statement, Mr. Speaker, is informative, unprovocative and non-inflammatory. It obtains to this chamber itself. I would doubt, myself, that there is any public building, or meeting place, more subject to hazard than the chamber in which the hon. members are at the present time. It is nonfireproof. The exits are certainly not modern and I would say there are many hazards, not the least of which is the habit of smoking which I long ago gave up.

Some years ago, I had that exit sign made up there because I was anxious that the press should escape if nobody else did. That was put there to enable the press at least to get to safety.

The balance of the chamber certainly requires a good many things to bring the safety factors in this assembly up to modern standards.

I have often watched the public galleries when there was a large number of people here, particularly children, and I intend to make it part of my business to see if we can drill and train the attendants here as to what to do in case of any trouble, and also to provide clear markings for the exits. That applies also to the Speaker's gallery.

This, sir, is an indication of the nature and extent of this problem. The Parliament buildings are certainly not fireproof. As a matter of fact, we have in the past few years been able to fireproof a number of the exits, the stairways leading out, and to make, from that standpoint, the situation of people on the second, third and fourth storeys approach some semblance of safety.

On the other hand, I think it is a case in point, and I think the hon. leader of the Opposition will agree, that it is a place in which we are working and our staff is working under conditions which are far from ideal according to modern standards. But to that we have to apply a good element of common-sense and meet the situation as best we can.

We do not introduce these matters for provocative purposes at all, but from a position of being able, through this assembly and through the press and through the communications we have had with people, to impress upon them the need of safety in these times.

Mr. Gisborn: Mr. Speaker, may I ask the hon. Prime Minister a question? Have we at this time a person with adequate qualifications in charge of the boiler room of the building?

Hon. Mr. Frost: Yes, I am sure of that.

Mr. Gisborn: At one time we did not have.

Hon. Mr. Frost: That was under another government.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, before the orders of the day, I would like to make a non-provocative statement relating to an article which appeared in the *Toronto Daily Star* yesterday, January 25. It reads as follows:

An amendment to The Forest Fires Protection Act is increasing the penalties for people who disobey any of the regulations or conditions of licences which result in forest fires. Guilty of an offence, they can now be fined \$100 to \$1,000 as well as imprisonment for 6 months and be liable to expenses for extinguishing or controlling the resultant fire. Former penalties were fines from \$25 to \$300 and 3 months' imprisonment. For subsequent offence, the fines can be raised to \$200 to \$2,000 with 9 months' imprisonment.

The item refers to this amendment which was proposed recently, but the information in the newspaper item is not properly outlined. Bill No. 26, which was presented to the House, is an Act to amend The Forest Fires Prevention Act and was introduced in this House on Tuesday, January 24. The amendment embodying the bill could place a penalty for disobeying or the refusal or neglect to carry out a condition of a work permit, fire permit or forest travel permit issued under the Act. The bill does not increase the penalties or the term of imprisonment. These remain at a minimum of \$25, a maximum of \$300, and a maximum of 3 months.

Mr. Thompson: Mr. Speaker, before the orders of the day, I would like to ask a question of the hon. Provincial Secretary (Mr. Yaremko). I have already given him notice of this question. I should say it is a non-provocative question as well.

In view of a statement in today's *Toronto Globe and Mail* by F. Hugh Brennan, planning board chairman for Markham township that lack of liquor outlets is impeding the township's development, would the hon. Minister indicate whether it is the government's intention to encourage the township's development by establishing a liquor outlet?

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): I can assure the hon. member that my answer will be as non-provocative as his question was. The answer is this: the matter is solely within the hands of the qualified electors of the township of Markham, as Markham township is com-

pletely dry and has been under a local option bylaw since 1913. No vote has ever been taken in the township under The Liquor Licence Act.

Mr. C. E. Janes (Lambton East): Mr. Speaker, I will also try not to be provocative, but I would like to remind this House that 72 years ago today an important event happened in southwestern Ontario. A young man was born there who became a very successful farmer, successful lumber dealer, and eventually was elected to this House in 1945. He is a man who I think has the most friends of any hon. member in the House, and I want the hon. members to join with me today in saying how happy we are in having the hon. member for Middlesex South with us today.

Mr. H. M. Allen (Middlesex South): Mr. Speaker, I want to thank my long-time friend, the hon. member for Lambton East, for remembering my birthday. Not many people remember it today. My parents often told me it was a stormy time in January, so you can guess why I have led a very stormy life and eventually got into politics.

I do want to tell the hon. members, from a political point of view, that the doctor in attendance was the late Dr. Routledge of Lambeth who was a former member of this Legislature.

Mr. Oliver: Mr. Speaker, before the orders of the day I want to ask the hon. Minister of Agriculture (Mr. Goodfellow) a question. The question is not as infallible as I would like it to be. It is this:

In view of a statement in this morning's *Toronto Globe and Mail* by John F. Brown, secretary-treasurer of the Ontario fruit and vegetable growers' association that the dumping of Cuban-grown tomatoes in the Toronto market "is not clean trading," will the hon. Minister tell us what action he has taken, or what action he contemplates taking, in respect to this particular matter?

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, the question was brought to my attention before luncheon today. I read the article in the early edition of the *Toronto Globe and Mail* last night and I reread it this morning. I realize that the headline might be a little misleading, that possibly the fruit and vegetable growers were objecting to the fact that they were Cuban tomatoes.

On making inquiry through the office of the Ontario fruit and vegetable growers I

am assured that that is not the case; though this matter has given them some concern.

It is nothing new for tomatoes to be imported into Ontario in off seasons; 25 carloads of tomatoes per week are imported into the province of Ontario from Florida and Mexico and the Canary Islands.

I might say that a few weeks ago I had a small package of delicious tomatoes from the Canary Islands put on my desk. These Cuban tomatoes, it is alleged, however, are coming in contrary to The Canada Customs Act, inasmuch as they are being consigned to the market here rather than coming in on a firm price basis.

I think that is what the fruit and vegetable growers are objecting to. They have made strong representations to Ottawa in respect to these consigned tomatoes and it is a matter that comes entirely within federal jurisdiction as the hon. member for Grey South will realize. Our job here is in respect to grades.

It might be interesting to know that at the present time there are 4 lots of Cuban tomatoes under detention in this province that our people have picked up; 911 20-pound units. It appears that they will be destroyed in the next day or two because they do not meet the standards, insofar as grade is concerned, in the province of Ontario.

I might also say that in order to demonstrate our interest in this—because I feel that any import to this province should certainly come in on a firm price basis rather than on a consignment to sell for whatever the consignee can get for them—that I sent a telegram concerning this matter to the hon. Minister of Agriculture (Mr. F. Hamilton) at Ottawa this morning as follows:

CONCERNED OVER STATEMENT MADE BY JOHN BROWN SECRETARY ONTARIO FRUIT AND VEGETABLE GROWERS' ASSOCIATION IN THIS MORNING'S TORONTO GLOBE AND MAIL THAT CUBAN TOMATOES ARE DEMORALIZING MARKET. ARTICLE SUGGESTS THE TOMATOES ARE CONSIGNED RATHER THAN SHIPPED ON A FIRM PRICE BASIS.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day I would like to raise a matter of privilege which affects not only myself, but I believe all hon. members of this House. The matter relates to an alteration in the official records of the House which I would like to outline.

On April 12, 1960, the concluding day of the 1960 session of the Legislature, a long list of bills was submitted to His Honour the Lieutenant-Governor (Mr. Mackay) for assent. When the clerk assistant read out the list of bills to which assent was prayed,

and to which it was subsequently given, I distinctly remember that he included An Act to amend The Crown Agency Act, 1959.

I am confirmed in this recollection by the fact that both *Hansard* No. 75—that is the unbound *Hansard*—for April 12, 1960, at page 2679, and No. 50 of the *Votes and Proceedings* of the same date at page 434, include this bill among the bills assented to.

I was amazed to discover, therefore, that reference to this bill was deleted from both the bound *Hansard*—which can be confirmed by consulting page 2679—and, what is even more serious, from the journals of the Legislature for 1960 on page 250, where it should have appeared.

Perhaps I should refresh the memory of hon. members of the House by explaining that Bill No. 48, An Act to amend The Crown Agency Act, 1959, was a bill introduced by myself in an attempt to rectify a great wrong which the government had previously done to employees of Crown agencies in depriving them of such protection as is available under The Labour Relations Act in matters of union recognition in collective bargaining.

I will concede that his Honour the Lieutenant-Governor in assenting to this bill showed a much greater sense of fairness than the government which did not even permit the bill to be discussed, much less passed.

I am not attempting to argue that the bill became law merely because it was assented to. I do, however, object most strenuously to the official records of the House, and particularly the journals of the House, being altered without the specific orders of the House.

One further point arises in connection with this matter. On Tuesday last I requested that an error attributing to the hon. leader of the Opposition certain remarks made by myself, be corrected in the bound edition at the point where it occurs rather than merely by an *erratum* notice. I understand, and am prepared to admit, that there are certain difficulties in that procedure. But I would submit, sir, that it should be possible to correct, in the bound edition, a manifest error which occurred in the unbound edition, if it is possible to alter something which was correctly reported in the first place.

Mr. Wren: Mr. Speaker, before the orders of the day I would direct a question to the hon. Minister of Lands and Forests as follows:

In view of recent newspaper reports of remission of penalties of persons convicted

of breaches of game and fisheries laws and regulations, in how many instances have the penalties been remitted, who have been excused, and what is the total amount remitted, and what procedure is followed by a convicted person to gain remission of fine?

Hon. Mr. Spooner: Mr. Speaker, I thank the hon. member for letting me have a copy of his question, because of the fact that he requires certain statistical information. I am sorry I cannot provide that information today, so I would ask him to leave the question with me and I will answer it as soon as I have the information which is in my office.

Mr. Wren: Mr. Speaker, I would certainly agree to the hon. Minister's request, but the matter seems rather strange to me, Mr. Speaker. I wonder if the hon. Minister is suggesting to the House that this practice is so widespread that he cannot recall from memory how many instances in which it occurred.

Hon. Mr. Spooner: I do not think it is a matter of such great importance that the answer cannot wait for a short time. I must refresh my memory as to the number of cases. So I would ask the hon. member to wait until tomorrow or the first of next week, and I will have the information. He has asked for the number of instances, and I want to be sure that I provide him with the correct information.

Mr. MacDonald: Mr. Speaker, I think the matter which the hon. member for Woodbine has raised is a pretty serious one, and I can appreciate the hon. Prime Minister sort of waving his hand as to what we are going to do under these circumstances. But is the hon. Prime Minister not disturbed by the fact that the official records of this House can be altered without the approval of the House?

Hon. Mr. Frost: I will say to the hon. member that I answered his lecture here a short time ago. I was meticulously trying to meet the rules of the House. The hon. member got up and spoke on a matter of personal privilege. My recollection is, "... which is clearly undebatable ...", and therefore for once in my life it left me speechless. Is there anything I can say?

Mr. MacDonald: My question, Mr. Speaker, to the hon. Prime Minister is—and I would appreciate an answer—when the official records of this House have been tampered with, without the approval of this House, what does the hon. Prime Minister propose to do about it?

Hon. Mr. Frost: I will have to take that question as notice. I am really not familiar with the matter. I would want to look at the records of the House, which I would be very glad to do.

My hon. friend, of course, knows that no such bill was processed or given the necessary readings and treatment in this House to bring it to the point of third reading, and if such a thing did occur, it was an obvious and manifest mistake.

If the treatment of the same had been proper, why I would certainly introduce the necessary motion once I consulted the proper authorities to ratify the procedure that has been taken. I am not at all familiar with it but I will be very glad to look into it.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. L. Troy (Nipissing): Mr. Speaker, before I begin my comments on the speech from the Throne, I want to refer to this bulletin that was left on the hon. members' desks sometime today by the hon. Attorney-General (Mr. Roberts), or by his department. Hon. members will find in that bulletin, contents No. 9, a news item of the death of Edward Hyland. It says:

—who met his death with Gordon Duff when their boat swamped in Lake Nipissing on June 13, 1960.

On the front page of the bulletin we find that it tells what may happen and what may be expected, where the jury's function is explained and the importance of that function cast upon the members of the jury.

I must comment on a couple of things here because the late Edward Hyland, I think, did not meet his death with Gordon Duff, because Gordon Duff remained alive about eight hours at least. Mr. Hyland, who could not swim, was drowned almost immediately.

Gordon Duff was alive and it was sworn in evidence that he was alive at least half an hour after the incident was reported to the police. It also explains—and again I refer to the front page—the importance and function of this jury, and this is what is commented upon by the hon. Attorney-General when it says, in No. 7:

That the district inspector be requested to review existing orders issued to constables and officers relative to their responsibility in cases of emergency so as to prevent undue criticism of the force in the future.

I strongly object to the use of this word "undue." I was one of those who criticized the provincial police in that situation, because an officer of the provincial police said he was never told what to do in a case of emergency. I do not think that it mentions that one case where one man supposedly met his death with another when the other man was alive some 10 hours afterwards.

I intended to refer to this matter later. But since it was apropos I thought I had better do so now. And I hope that when this new police college is built—we are waiting a long, long time for the report—that officers will be instructed on what to do in cases of emergency.

Now, Mr. Speaker, reference has been made several times in this House to the demise of two former members, the member for Simcoe Centre and the other member from the riding of Timiskaming.

I did not know the late Mr. G. G. Johnston very well, but I had known the late "Bob" Herbert for many years. Both he and I served in the same regiment, before World War I and in it. I know that he served his country well in wartime and I know he had served his riding very well in peace. May these two rest in peace.

I congratulate the two hon. members who were elected in the byelections, the hon. member for Timiskaming (Mr. Hoffman) and the hon. member for Simcoe Centre (Mr. Evans). I would have much preferred to have someone else sitting in the two seats but, as I say, the voters have expressed their desire and I offer the hon. members my best wishes and am sure they too will serve their constituents and their province equally well.

I notice that during the summer recess, my friend, the hon. member for Parry Sound (Mr. A. Johnston) was elevated to the position of vice-chairman of the Ontario Northland Railway commission, and the hon. member for Algoma-Manitoulin (Mr. Fullerton) was awarded a place on that commission. I will refer later in my speech to that commission. I extend my best wishes to them and hope that they will be able to drum up business for the Ontario Northland Railway.

The hon. Prime Minister (Mr. Frost), I notice, has added to his bench strength during the recess also, and my congratulations are offered to them. However, I had expected that there might be some change, that possibly the hon. member for Ottawa West (Mr. Morrow) might be elevated because I notice that there is no representation from the city of Ottawa and that point has been

commented on a number of times in the Ottawa newspapers.

Now the hon. Minister for Municipal Affairs (Mr. Warrender) in his apology for the department he heads, delivered in the dying hours of the fall session a speech in which he referred to "black days" in this Legislature. They are certainly black days indeed. The hon. Minister chose to forget that farcical debate here last year on stricken Elliot Lake when he and the other hon. Ministers of the Cabinet almost seemed like marionettes in a Punch and Judy show, popping up in their seats at the bidding of the master puppeteer and mouthing their speeches.

Moreover, had this self-avowed champion of democratic institutions sat in this House on December 14, he would have, at least he should have, hung his head in shame.

I had no intention of referring to the hon. member for Russell (Mr. Lavergne), but in the afternoon session of that day his hon. colleagues fumbled about for an hour in a weak defence of an almost untenable case.

As I say, I had no intention of referring to the Eastview case, because I thought that arch-supporter of the Conservative Party, the *Ottawa Journal* stated the case quite well when the editorial writer said that the people had dealt with the matter much more effectively, more thoroughly, than the report from the probe had done.

But, when in the dying minutes of his speech, with a Bible in one hand and a dagger in the other, he spoke against my hon. leader (Mr. Wintermeyer), then I had to make some mention of it; because, in my opinion, it is like bringing up the dead in the trappings of a ghoul.

The hon. members opposite had been uninterested before that; almost asleep. Then they seemed to waken and there was a sort of malevolence that one could see just because the hon. leader of my party was severely criticized and attacked.

One of my aims, Mr. Speaker, in my long years of service as a high school teacher, was to inculcate into the minds of the young people a respect for the dignity of the individual, for the dignity of our democratic institution, and respect for leaders of government.

I was sadly disenchanted that night of December 14, when I was a witness to the spectacle of the hon. Prime Minister of this province, the leader of the government—the man whose image has been presented to the people of the province as the "grand old man

of Ontario"—that very benign gentleman from a rural riding, losing all sense of decorum engaged in a cat-and-dog fight, almost, with the hon. member for Woodbine (Mr. Bryden) and the hon. member for York South (Mr. MacDonald); now with one; now with the other, and often with both simultaneously.

The exchanges have been classed as debates in the proceedings of this House, but to me they were more reminiscent of a running verbal battle between fishwives.

How the people of this province would have been disillusioned had they too by some chance been witnesses. How they must have been shocked when they read the exchanges in the press the next day.

Truly the image is becoming clouded and the cracks in the keystone of the Progressive-Conservative party are crumbling and widening. Probably they would be shocked, too, had we advanced to the stage where we had television performances in this House.

However, I notice that on the same night over in Calcutta, India, there was quite a brawl in the Legislature there, but, fortunately, we did not have what happened there. They hurled chairs at each other and the proceedings of the House had to be postponed. That was on the same night in another part of the world. East is east and west is west, I suppose.

Now, Mr. Speaker, we are told further advances will be made in the field of education. I submit we must not only make advances in this field, but we must try to recover lost ground. The hon. Minister (Mr. Robarts) was exhorted last session, and his hon. predecessor (Mr. Dunlop) and predecessors in previous sessions, to do something to stem the flood of untrained and unskilled young people from our schools who, for various reasons, were dropping out of school to face an uncertain future.

As recently as the 1960 session, those of us who are members of the committee on education were told by senior officials of the department that a strong programme must be set up in an effort to stop the dropouts.

A chain of trade schools through this province could be the answer. Education should be a process to help the backward, the average, as well as the gifted, to make the most of themselves. The hon. Minister and his department must give leadership so that young people who are academically inclined can learn a trade or a skill.

I shall expand on this project during the presentation of the estimates of The Department of Education. I notice at the moment

we have a programme of retraining the unemployed and mention has been made of this taking place in a number of cities.

But certainly before we have any expanded programme of retraining the unemployed, a survey must be made. There is no use in training people for skills unless the skills are needed. Certainly there has been delay here which is absolutely unnecessary because for years this problem has been growing and now it is almost a crisis.

It is a crisis, an hon. member remarks, and I agree with him.

The hon. Minister of Education has been quoted several times recently as saying that he and his department are considering the expansion of summer courses for the training of secondary school teachers.

With northern Ontario being included in this programme, I heartily endorse this project, because I think if we have training schools for teachers in areas then there is always the possibility that we will get graduates from that school remaining in the area in which the school is located.

We would like to see more and more northern Ontario students as graduates of universities become teachers in our secondary schools, and I recommend very strongly to the hon. Minister that he consider the North Bay area because the facilities of that region are unparalleled in this province.

I point out further that, if and when winter training courses will be established in other parts of the province, he include northern Ontario and particularly the city of North Bay and the North Bay area. We are expanding our educational facilities in that city and we opened last year the Northeastern University, and now we are well into our first year of this virgin university.

Under the joint auspices of The Department of Transport and The Department of Education, courses in driver instruction have been authorized in Ontario secondary schools. The organization and supervision of these courses must be under the control of the principal, and they must be carried out as an extracurricular activity, with the approval of the school board.

I understand The Department of Education supplies the grant to cover certain expenses, including the pay of the teachers. I understand further that the automobile companies and insurance companies have applauded the action of the hon. Ministers. But, in my opinion—and certainly in the opinion of many in the teaching profession—such courses should not be the job of the schools.

I noticed in the *Sudbury Star* recently that this matter was discussed strongly by the principals of various schools there, and the consensus of opinion was that it should be an activity outside the schools. Also again I notice it was discussed at the recent survey conference here at which the workshops were conducted. The field secretary of the separate school teachers' federation said driving education does not fit in this category, and that there is not room in the curriculum for it.

The instructors receive their pay from The Department of Education. Why the preferred position for the driving instructor? Other teachers work for long hours in extra-curricular activities in the athletic fields, in cultural and other groups. They act as baby sitters at lunch periods, and they are not being remunerated.

I think the schools' big job is to inculcate into pupils a sense of responsibility, a healthy respect for the rights of others. If the schools do this, then they will turn out young men and women who are able to discipline themselves both on and off the highways.

Mr. Speaker, in the speech from the Throne we are told that there will be placed before us during this session a comprehensive programme of planned public and winter works' projects, including hospital schools for retarded children, hospitals, flood control measures and other conservation operations. Expenditures of approximately \$90 million were mentioned by the hon. Minister of Municipal Affairs in his report to the House on January 24.

Now I wish to refer to conservation because, in my riding of Nipissing, flood control is a current and important problem. Negotiations are now under way, with the co-operation of the hon. Minister of Planning and Development (Mr. Nickle), to establish a conservation authority in the Lake Nipissing-French River area.

Last spring, this region had the heaviest precipitation in 30 years. Where the normal is 7 to 8 inches, last spring it was 16 inches. As the lumbermen pushed deeper and deeper into the bush, the land was denuded of forest. Many sections of our district are in the path of flooding waters. This adds to our annual problem during the spring freshets.

Thousands and thousands of dollars of damage was suffered, the sections hardest hit being the areas along the Sturgeon river, the village of River Valley, the village of Field, the townships of West Ferris and Springer—which border Lake Nipissing—and then up in

the west part of the lake in the vicinity of the village of Lavigne. In that area, children were unable to get to school, the roads were impassable for a week, and the heaviest damage was suffered.

Of course, Nipissing was not the only area hit by the floods. Similar, and even more serious conditions, prevailed in Mountjoy township in Cochrane South, and along the Missinabie river in the district of Sudbury, nor was Lake Nipissing district, in my riding, the only part that suffered. We also had it in Mattawa which, as hon. members know, is situated at the confluence of the Mattawa and the Ottawa rivers. The tumbling waters of the Ottawa river rushed down and flooded great sections of this town and again they suffered damage. So serious was the situation in northeastern Ontario last year that the hon. Prime Minister declared that section of the province a disaster area and said that the hon. Minister of Lands and Forests (Mr. Spooner) would be the co-ordinator of relief.

The hon. Prime Minister in his release stated that the government would match municipal expenditures on flood relief, dollar for dollar.

I do know that several of the municipalities in my riding applied for financial assistance. I do not know that any monies were received. I noticed just recently some mention in the press where the hon. Minister of Lands and Forests flew into Foleyet with the hon. member for Nickel Belt (Mr. Belisle). I quote from the Canadian Press dispatch:

Progressive-Conservative member in the Ontario Legislature for Nickel Belt flew into the village to present a \$20,000 cheque to the fund chairman. The cheque was donated by the Canadian disaster relief fund in Winnipeg to aid citizens who had suffered damage to their homes and businesses last May when the Ivanhoe dam broke and flooded the area. The cheque is part of \$45,222 promised the fund committee.

Mr. Spooner said another \$20,000 promised by the provincial government might not arrive until the end of April because the money had not been set aside in this year's budget.

I do not know of any people in my riding who received anything from the Canadian disaster relief fund and they also suffered heavy damage. I do not know if they were in the disaster area as laid down by the hon. Prime Minister of this province, but they certainly were in the disaster area as far as Lake Nipissing was concerned.

Mr. Speaker, I also read in the speech

from the Throne that there are planned expansion programmes in The Department of Public Works. I hope in that programme is included the surgical wing of the Ontario hospital at North Bay which serves all northeastern Ontario, and I ask the hon. Minister of Health (Mr. Dymond) to urge the treasury board to think of the need there.

Some in my own riding say: "You will never get it under present conditions." But I urge the hon. Minister to forget there is such a thing as party politics, and not stop this surgical wing which he himself has said many times is the heart of the hospital.

At this point I think it is appropriate to mention the hospital school for mentally retarded children projected for northern Ontario. The hon. Minister recently in his speech in Hamilton mentioned that there were two hospitals in the planning stage, and I hope that one is a hospital for northern Ontario. I hope too that we will soon cease to have this as a political football.

In the closing days of the campaign in the Timiskaming byelection, it happened—by accident, of course—that the hon. Minister of Public Works (Mr. Connell) was in the New Liskeard area. Fortunately, too, organizations in that area were presenting at that time briefs that the town might be chosen as the site of the hospital school.

To add encouragement to them—but, of course, with no base motive—the hon. Minister is reported to have said the New Liskeard area was the best he had seen, giving the impression—certainly to the readers, maybe not to the people there—that he had inspected many sites suggested. I do not know if that is the practice of the hon. Minister—to go around inspecting every site. I think he takes advice from his surveyors.

Then we have the hon. member for Nickel Belt "sounding off" in *Le Droit* about the Sudbury area while the mayor of Capreol—almost like Diogenes with his lantern—is searching for the field men sent up from the department who are supposed to be in the area inspecting sites.

I know, as the hon. Minister of Mines (Mr. Maloney) said in Elliot Lake last July, that the planning of a hospital school for mentally retarded children involves a great many complexities, and I agree with him. But I certainly hope that such a humanitarian project does not involve such things as party politics. I do not think that should enter into it.

There is an urgent need for such a school in northern Ontario, and the government well knows that. So does the hon. Minister of

Health. There is one area I think best suited at this moment for such a school and the hon. Minister should select that site and demand that it be built. And, of course, the president of the retarded children's association in my own city has pointed out the facilities afforded by the North Bay area, including facilities of transportation, of climate, and ideal conditions and area available. Somewhere in that area is the ideal site for a hospital school for retarded children.

In this connection I might say, too, that we should give more help to socially minded associations which are operating day schools for educable children in this category. More money, too, must be allotted for research and I am glad to notice yesterday the hon. Minister said that a mental health foundation was being established which I think should be of great help in this field.

I consider, too—and I am sure the hon. Minister does—that the children in this category are not entirely the problem of The Department of Health. To some extent, those who can be educated should be the problem also of The Department of Education.

We are informed in the speech from the Throne, Mr. Speaker, that a research division will be set up in The Department of Economics. I urge that this department rush an economic survey of northeastern Ontario, research in the processing of our raw materials and research into freight rates, to find the answer for the declining prosperity in certain areas of our economic life in northern Ontario. I hope that The Department of Agriculture will work hand-in-hand with this research branch and in this survey, so that the production of our farms in northern Ontario may be increased.

At the present time, agriculture in northern Ontario is stymied by freight rates. The disparity between freight rates and the cost of distribution of materials, such as western grains and fertilizers, is about \$20 per ton. It costs \$7 more to finish a hog in northern Ontario, while farmers are at a similar disadvantage in regard to poultry and beef cattle.

By overcoming this disparity, the government could, I understand, double production and, of course, encourage the processing of beef in northern Ontario. To achieve this a subsidy of \$1.5 million, or approximately that, is necessary. I believe there is a precedent here because I understand that subsidy is already given to the growers of soya beans in southern Ontario, and I understand further that this subsidy is given by the province.

Another result could be the establishment

of a packing plant. But, I say again, such a project is tied up with freight rates, because we must have cheap fertilizer. In the farmlands of the north we could increase our production from half a ton an acre of forage to 4 to 5 tons, it is said, if we have plenty of fertilizer.

Those engaged in farming in northeastern Ontario, particularly in my own area, tell me that the farmlands there are more suitable for forage and for vegetables. In this regard, it is an ideal land for growing potatoes.

Those of us who go to the agricultural fair at the Canadian national exhibition grounds, and other fairs in this province and in the United States, know that northern Ontario potatoes often win the red ribbon. Approximately 900 carloads of potatoes are brought into northern Ontario a year. I am sure that we could increase our production and, instead of being an importer of potatoes, we feel we could be an exporter.

Last year, under the auspices and help of the northeastern development association, a project was carried out in the growing of potatoes in the Timiskaming district. It was most successful and I understand that it will be expanded.

When I referred to the subsidies to the Ontario Northland Railway some weeks ago, I put a question on the order paper in regard to the salaries, perquisites and emoluments of the commission. Weeks have gone by and still there is no answer. I hope it is not because the expenses—particularly on the perquisites and those fringe benefits—are so great that there has not been enough time to present that information before us.

I know that there is certain concern—I do not refer to the commissioners, including the hon. member for Algoma-Manitoulin who is in the House at the present time—but I certainly think that the people of this province are somewhat concerned about certain expenses of the commission and certain of the fringe benefits or perquisites that are involved. I hope that the answer will come soon.

Recently—I think it was last November or in October—the hon. Prime Minister in his television address said things move rapidly in this province. The hon. Prime Minister could not have been referring to some of the highways in northern Ontario; certain projects anyway, because there are sections of the trans-Canada highway—now highway No. 17, or the Ottawa Valley route—that are certainly substandard. On highways on which a speed of 55 or 60 miles an hour is per-

mitted by law, we have stretches of this highway built in the 1930s with roadbeds built for speeds of 35 miles an hour. I know that improvements are being made; but very slowly. I also understand that certain sections of highway No. 17, which were supposed to be on this schedule, have now been taken off.

Granted, there has been great expansion in certain highways, particularly the trans-Canada highway through Sault Ste. Marie and the Wawa section, with the help of federal aid.

Many years have passed since highway No. 11 from North Bay north was started and it definitely is not up to standard. The dilatory attitude of the government must be criticized, I am sure because, seemingly, everything was done to put the trans-Canada through Wawa and that region.

I am sure that the hon. member for Cochrane North (Mr. Brunelle) would endorse this statement of mine, as will thousands and thousands of motorists who have travelled over this road since the years when it was first opened for traffic.

This criticism could also be levelled at the government and The Department of Highways in regard to highway No. 64, which links highway No. 69 with highway No. 17 at Verner, via Noelville and Lavigne. Sections of this highway were impassable last spring long after the flood waters had receded.

This highway has been on this schedule and off again. I am sure that the department engineers who know the situation must feel frustrated. The hon. Prime Minister has denied, and I accept his denial, that politics plays a part here. But I have a time convincing my compatriots of the honesty of the government in this regard.

I notice even the hon. member for Nickel Belt, last year in his speech on the speech from the Throne, was quoted thus at page 447 of the Legislature of Ontario debates, 1960:

I would like also to mention highway No. 64 from Noelville to Rutter which has been on the priority list for the last 5 years and which was started before the election but ended very shortly after.

Mr. E. Sopha (Sudbury): Just a slip of the tongue.

Mr. Troy: The hon. member for Nickel Belt, and that great Tory journal, the *Sudbury Star*, criticized—

An hon. member: Not so Tory these days.

Mr. Troy: Well, I hope they have seen the light; I am glad they are seeing the light. I shall say again the hon. member for Nickel Belt and the supporters of the government are grumbling and the hon. member for Nickel Belt gave strong criticism in that speech of his in the Legislature last fall.

I shall defer further comments on highways until the hon. Minister brings in his 1961 programme, except to refer briefly to the Timiskaming byelection campaign, and a statement by the hon. Minister of Mines, who I recall in the speech of the hon. member for York South, was dubbed as a great engineer. He was one of the leading protagonists for the government side in that campaign.

In his keynote speech at the nomination day, according to press reports—and I must confess that I respect the honesty of the North Bay *Nugget* and the reporters that they have in that area—the hon. Minister informed the populace that he carried, in his dispatch pouch, priority messages from “the leader.” He had been instructed to tell the people of the tri-towns that a new survey for a bypass would be made.

But regardless of the results, the hon. Minister was to assure the people of Cobalt, Haileybury and New Liskeard, on the word of his hon. leader, that highway No. 11B through these municipalities would remain forever the permanent responsibility of The Department of Highways.

Hon. L. M. Frost (Prime Minister): Correct, that is right.

Mr. Troy: I am very glad to hear the hon. Prime Minister say that, and hope that he will show the same consideration for all those other areas of northeastern Ontario which have been bypassed in the development of our highway system. I refer to Huntsville, Gravenhurst, Bracebridge, Powassan, North Bay. Then I hope we will be in the same preferred position as the tri-towns area, and that certainly has not been the policy, this preferred treatment policy, of The Department of Highways in the past.

Further, the hon. Minister said that the road to Belle Vallee would be classed as a development road. He paid tribute to the late member for the riding, Mr. Bob Herbert, when he said, of course, he had pressed for these projects all through his political career. Well, granted, that certainly is true in every riding. First we find the hon. members pressing for development roads, but we do not get the same consideration in certain times and certain situations.

This government has made empty promises

before. I hope that is not an empty promise for the people of the riding because sometimes these things have a way of striking back.

One of these promises emanated from the office of the hon. Minister of Highways (Mr. Cass) and was made during the 1959 election campaign by the former member of my riding who, in true fashion after being defeated, was appointed sheriff of the district of Nipissing.

Mr. Sopha: We do not elect our sheriffs, we defeat them.

Mr. Troy: The hon. member for Sudbury quips that in this country, unlike the United States, we appoint sheriffs. They elect them over there. We defeat them.

Now here is the news item:

\$1.5 MILLION TO BE SPENT ON PROJECTS

Word of a major move of the Highways Department was received today from the office of Highway Minister Fred M. Cass, by John M. Chaput, MPP for Nipissing. The announcement was that a new \$1.5 million building on property fronting the bypass in the township of Widdifield will be erected. The department plans to start developing the area early in 1960 and will eventually concentrate all its facilities there. The first building to be erected will be the garage to house the numerous vehicles operated by the department out of North Bay.

The report goes on to say that the department has many buildings in the city of North Bay. I understand that they spend about \$50,000 a year in rental. Now this new building was to supply office space for the district administration.

The land, I understand, has been purchased; it lies there and I urge the hon. Minister to include some of that project as a winter works programme.

In the township of Widdifield there is a large highway dump which includes the depot for all the equipment of northern Ontario. Now, the land is available, it is level with just a little bit of snow on it. But there is not very much snow in our area, so as a winter works programme the movement of the Bailey bridge equipment could be done.

Now, this building was supposed to have been completed by 1962. We are now almost through the month of January 1961 and, judging by the way public buildings are built nowadays, I do not think we will have it in 1962. Without going into the expense

of erecting a building at least some winter work could be provided for the unemployed in moving and setting up this depot for Bailey bridge equipment which is situated in the township of Widdifield.

Mr. Speaker, I am sure that all hon. members of the House agree with the principle of portable pensions as enunciated in Bill No. 16 which has not yet been presented to us. And I notice too in last night's paper some reference to portable pensions. I hope that we might have something presented to us from the government side before the session ends.

In an industrial society like ours, workers have a measure of social security only so long as they are working. But when an interruption of wages occurs, no matter what the cause, then a problem is created. This problem evolves and grows and becomes a crisis when after 10, 15 or 20 years of employment a worker is told one fine morning that in a few days his employment is over.

Unfortunately, that has been the experience of too many in my riding, and in my home city of North Bay where automation has played "hob" with the railroad industry. Many employees of the Canadian National Railways, the Canadian Pacific Railway and the Ontario Northland Railway have been released.

The unfortunate part of it, as far as the employees of the Ontario Northland Railway are concerned, is that they are not eligible for unemployment benefits.

We see all over this country posters saying "Do it now." We have it drummed into our ears over radio and television, "Do it now." Unfortunately we had a "Do it now" in reverse recently, just before Christmas, when 11 more employees of the Ontario Northland Railway were released—and some of them were war veterans. Unfortunately that noble category seems to have little standing nowadays.

How much better it would have been, Mr. Speaker, for these displaced workers and hundreds like them if we had in our country universal portable pensions to preserve the credit of older workers who, through the effects of automation, are now seeking jobs.

Mr. Speaker, on the order paper of the 1960 winter session in my name is a motion concerning fluoridation of water supply in those areas that endorse such action. I also notice in the speech from the Throne that funds will be voted for the improvement of our water supply.

Also, in this regard, I refer again to last

year's session and to the remarks of the hon. member for Grey South (Mr. Oliver) in which he discussed water supply and the necessity of giving serious thought to the problem of the supply of water.

The hon. member for Sudbury, in the last session, also spoke on this very serious problem when he called the attention of this House to the dream of an engineer in the Sudbury area in regard to the diversion of a river that now flows into James Bay and could be made to flow down to southern Ontario.

I understand further that all over this province this year in many areas they are finding that the water supply is quite low. I think we have to give serious thought to this very fine idea which was presented last year by the hon. member for Grey South in regard to a good system. It is becoming more and more important and, as the years go on, it will become a crisis unless something is done.

However, I want to refer at this moment to the improvement of our water supply in regard to fluoridation.

I point to an address of Dr. McCabe who is a lecturer on hygiene in the University of Montreal and has a string of medical degrees which shows he is a man of very high standing in the medical profession. He says that in no case has the improvement of a single food proved to be as valuable for the prevention of disease as the improvement of water.

Now in my opinion there is, at the moment, nothing that can improve the water supply of this country as well as fluoridation, for certain reasons.

I had high hopes that I would be given an opportunity to present this motion to the House in the last session but I was not. I know my hon. colleagues were quite concerned that I did not get an opportunity to speak on it.

Now, the hon. Prime Minister of this province and his hon. Ministers and his hon. supporters preach freely of their concern for the physical wellbeing of the people of this province; in fact, we have a committee on physical fitness which will be presenting a report, I understand, quite soon. They also express their concern for the financial wellbeing of the wage earners.

Now annually, Mr. Speaker, millions and millions of dollars are spent needlessly in this province for dental care. Even more serious is the fact that dental decay is a contributing factor to crippling diseases. Such expense and

such dangers to general health could have been avoided years ago had the government of this province shown the courage of its convictions and, by decree, endorsed the practice of fluoridation of our communal water supplies.

This government should be criticized roundly for their weak-kneed attitude on fluoridation but, more than that, in my opinion they stand condemned for not passing enabling legislation so that those communities which were seriously concerned with the dental health of their citizens, and held plebiscites, might get on with the job.

I know in my own particular city of North Bay we held a plebiscite 5 years ago and we endorsed the project handsomely. Kirkland Lake did the same and so, I understand, did Ottawa. These are enlightened cities. Metropolitan Toronto tried to do so but was stymied because of this government.

In the meantime, in March, 1959, I believe it was, the hon. Prime Minister appointed a special committee to study this subject. On February 9, 1960 the hon. Minister of Health told inquiring reporters that he had no idea when this committee would report. That was almost a year ago now. It will not be fluoridation that will kill the committee, it will be vegetation. Some 11 months have gone by and last February the hon. Minister said to the reporter: "I never push a committee."

I do not want to confuse the government by quoting statistics, but I shall briefly refer to several cities: Brantford, Stratford, Sarnia and Sudbury, 3 of which have reduced the rate of dental decay by a smashing 60 per cent and even more.

I might point out there was a Canadian Press statement last year from Ottawa which said the federal Department of Health had issued this bold new endorsement of fluoridation:

There is no doubt the water treatment markedly reduces tooth decay among children. There are no ill-effects of either a medical or dental nature arising from the use of fluoride in community water supplies.

This endorsement of the federal Department of Health culminates an exhaustive 11-year study of some 50,000 children in Stratford, Brantford and Sarnia. Stratford water is naturally fluoridated through chemical deposits in the ground.

Sarnia has practically no fluoride naturally in its water, while Brantford under a special plan has been adding sodium fluoride to its

water supply in the recommended portions of one part to one million.

The cavity-reducing effects of the water naturally fluoridated in Stratford and artificially fluoridated in Brantford are essentially the same, the report indicated. A brief presented by the Ontario association of dentists and the Royal college of dental surgeons points out that in Sarnia there has been little change in the reduction of tooth decay in children 9-11 years in the year 1948 and the year 1959.

In Brantford in 1948 the average number of decayed, missing and filled teeth per child for 9 to 11 years was more than 4. This has been reduced because of fluoridation in that age group to less than two.

Stratford, with naturally fluoridated water, shows that in 1948 the average was between one and two, and in 1959 just about the same.

In the age group of 12 to 14 we see the great difference. In Sarnia in that age bracket the children have more than 8 decayed teeth. In Sarnia, in 1959, there is little change.

In Brantford, where the water supply was artificially fluoridated, we find that in 1948 the mean number of decayed, missing and filled permanent teeth per child were more than 8. In 1959, to show the great effects of fluoridation, this number has dropped down to less than 4.

I think these are striking figures, Mr. Speaker, and a clear indication of the value of fluoridation, whether natural or artificial.

In Sudbury, just the other day, I read a dispatch quoting Dr. Sutherland, the regional director for health in that area. He pointed out that Sudbury now with artificially fluoridated water has reduced its dental decay in children by 70 per cent. The city of Sudbury fluoridated its water, I understand, without going to the people. They just decided that this was a good thing and they put this system into effect. Hon. members can see the results.

Tooth decay is a widespread and chronic disease in all age groups of our Canadian population. Moreover, it has been proven to be a contributing factor to other and more serious diseases and the cost of it, as I pointed out before, through the years has been staggering.

I understand that about \$90 million annually is spent on dental care across this country, except in those areas like Stratford and Brantford, and in Sudbury where now we have fluoridation.

Per capita the annual cost of protection

given by fluoridation is about 10 cents. In fact, the hon. member for Brantford (Mr. Gordon) says it is 8 cents a year. Fluorine protects the enamel of the teeth and in no way is it medication. It does not cure any disease; it is not meant to cure any disease. All that fluoridation is meant to do is to prevent disease.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, is the hon. member's definition of medication something only that cures?

Mr. Troy: No, certainly not, it does also prevent, but what I said was that fluoridation is not medication, that is all.

Hon. Mr. Dymond: That is not the argument held by authorities, Mr. Speaker.

Mr. Sopha: The hon. member does not pretend to be a doctor like the hon. Minister. Is the hon. Minister against it?

Hon. Mr. Dymond: Then he should not make statements.

Mr. Sopha: Is the hon. Minister against fluoridation?

Hon. Mr. Dymond: The hon. member will hear from me in due time.

Mr. Sopha: Let us hear it now.

Hon. Mr. Dymond: Can the hon. member not speak for himself?

Mr. Sopha: Is the hon. Minister against fluoridation?

Hon. Mr. Dymond: Let him speak for himself.

Mr. Troy: Well, as far as I am concerned, I will answer the hon. Minister. I am a citizen of the city of North Bay. The plebiscite for fluoridation was presented to us and I certainly voted for the fluoridation of the water supply.

Hon. Mr. Dymond: Mr. Speaker, this was not my question. My question was: Does the hon. member define medication as something that cures, and I said—

Mr. Troy: Only, the hon. Minister said.

Hon. Mr. Dymond: I beg your pardon?

Mr. Troy: The hon. Minister said "only cures."

Hon. Mr. Dymond: And I said "no."

Mr. Troy: Thank you.

As the brief presented by the Ontario dental association said:

Fluoridation is not medication. The suggestion that fluoridation violates personal liberty, and constitutes compulsion, becomes untenable.

Now, to go on after that little byplay, no information to my knowledge has been presented to show the addition of this substance to our water supply has been harmful. The hon. member for Brantford has been drinking fluoridated water for the last 15 years or so, and there is no more sprightly and vigorous gentleman as this 73-year-old young man.

I also say that there are many fathers and grandfathers in this country who would like to receive the information from their dentist that the hon. member receives. I believe his 11-year-old grandson went to the dentist for a dental checkup and the dentist said to him: "You should go back and tell your grandfather that you have a perfect mouth of teeth."

I know that a great number of us remember the days when, if anybody had any tooth trouble or tooth decay, it was a case of getting the old forceps and pulling them out. I regret that in my home area, or in my time, there was no such thing as fluoridation.

Further in support of my contention, Mr. Speaker, I go to the experts, including associations to which the hon. Minister of Health belongs, and the hon. member for Grey North (Mr. Phillips) belongs.

The controlled fluoridation of communal water supplies has been endorsed by these organizations: The world health organization, the federation dentale internationale, the heads of departments of preventive medicine of 75 Canadian and United States universities, the Canadian as well as the Ontario dental association, the Canadian medical association; more recently, by that conservative body the British medical association, and by the people of more than 20 countries.

Yearly, more and more countries have been added to those progressive countries that use fluoridation. The director of community activities of the American federation of labour and the congress of industrial organizations described it recently as the biggest health bargain on the market today.

Hon. A. Grossman (Minister without Portfolio): Now there is a guy who knows.

Mr. Troy: Well, he believes in experts. The hon. Minister does not.

Mr. Speaker, it is tragic to think that our people have been denied so long the

benefits of healthy teeth. Dental health may be promoted by stopping decay before it starts; by controlled fluoridation of our water supplies. The longer we wait for this report, the greater the expense to our people. With so much factual information before us, surely we should have had an answer from this committee before now.

To conclude, in regard to The Department of Lands and Forests, I will speak on that department later in the estimates. But I notice that measures have been taken by the department to assist in the propagation of fish and wildlife. I sincerely hope also that measures will be taken not only to assist in the propagation of fish and wildlife, but also measures will be taken by this department and the hon. Attorney-General's department to assist in the preservation of human life.

We have had a really serious situation in our forests these past fall months. People are being killed needlessly and juries are looking on the situation lightly.

Finally, I want to refer to a letter I received from the president of the Stanforth Lumber Company, one of the important lumber companies in my district of Nipissing. He tells me he sent copies of this letter to the hon. Minister of Highways, and the hon. Minister of Lands and Forests and the hon. Minister of Transport (Mr. Rowntree).

This letter refers to a problem frequently brought up by the lumbermen. He heard that the Ontario government authorities are considering reducing the allowable weight to be carried on tri-axle trailers from 80,000 pounds to 70,000 pounds. He points out how serious any reduction in the allowable weight of the use of this type of equipment will be for people in his industry. He says:

Our products are heavy and bulky and very expensive to deliver to our markets. Such a reduction would mean a reduced pay load from approximately 48,000 pounds to 33,000 pounds, or over 20 per cent.

Now you can see what a severe disadvantage this will make in our competitive position with similar industries in other provinces and in the United States. May we point out that you now issue a licence for an allowable load of 28,000 pounds on a two-axle truck. This is usually distributed with 8,000 pounds on front axle, 20,000 pounds on rear axle, whereas the large tri-axle tractor trailer units that now have an allowable capacity of 80,000 pounds, there would be approximately 8,000 pounds on the front axle of the tractor and 14,400 pounds on each of the other 5 dual-tired axles.

He concludes with this observation:

We sincerely believe that no action should be taken to cause this reduction, and if there are any other questions in this regard we certainly would be pleased to hear from you as well as those 3 Ministers.

I ask the hon. Minister of Lands and Forests, who no doubt knows the president of the lumber company—and if not, he knows the importance of the lumber industry in Ontario, particularly the ridings of northern Ontario—to urge the hon. members to seriously consider this proposed change.

Mr. M. Phillips (Grey North): Mr. Speaker, I have been wondering how long the hon. member was going to speak, and whether I would have time to say what I wanted to say, because although I cannot say it so well, nevertheless I have spent a lot of time on it.

First, I do want sincerely to not only congratulate you, but sympathize with you because you have performed your duties in a most fair way and at the same time you have carried out the dignity of the office of Speaker of this House.

Today, as I listened to some of the words that were spoken in the House, I wished I had my Oxford dictionary here. There were certain words I wondered if the hon. members who were using them knew their meaning. I thought doctors were the only ones who were allowed to use words which they could get away with, because a great number of people do not know the meaning of these words. But when you called the House to order you certainly showed you were an expert in using difficult words yourself.

I also want to congratulate and sympathize with the two hon. members, one from Timiskaming (Mr. Hoffman), the other from Simcoe Centre (Mr. Evans).

They must have a great deal of courage to enter into public life, for they know that no matter how well they try to serve their people they will receive unfair criticism from this one and that one.

All I have to say to them is this: I think they should be like a great number of us. Probably we should have gone to see 5 or 6 psychiatrists and taken a slow boat to China and hope the election would be over before we returned.

But now that they are elected I do wish them every success and may they serve their ridings for many years to come.

I want to remind them of one thing and that is the sayings of two great men. One

is Shakespeare who said: "The world has grown so bad that wrens make prey where eagles dare not perch."

Then later, Alexander Pope who lived between 1688 and 1744, made this statement, the one we all know so well: "For fools rush in where angels fear to tread."

Now that I have played out the usual ditties of congratulation, and so on, Mr. Speaker, with the permission of this House, I would like to give the hon. members about one half-hour of positive thinking which, in my opinion, entails two very timely subjects.

The first part we will call the art of medicine versus the science of medicine, which may eventually produce the next political football in the health field.

Part two of my address will be on unemployment. In dealing with these two subjects, I will say what I have to say in the hope that it will help each of us to live in this generation.

I would ask all the hon. members to relax, fasten their safety belts and remain glued to their seats. I feel that I will give them some food for thought, and may I say that the remarks I make today are my own and are of considerable public importance.

The average family swear by their doctor. Nevertheless, too many people swear at the medical profession. Unfortunately, we all get sick sometime. Then the doctor suddenly becomes very important. All is then forgiven: the doctor can do no wrong.

But there are still many situations in which the general public and the doctor do not understand each other. The first and most important thing in medical ethics is the welfare of the physician's sick patient. Practically every citizen will agree with me that the doctor of today realizes this and uses all his skill and professional knowledge to give his patient the best treatment possible, the same as the physician of yesterday.

Since antiquity, the art and science of medicine has been a phrase in common use. Previous to the turn of the century, doctors practised the art of medicine because the science of medicine was little known. Doctors used leeching, bleeding, mysticism, faith healing, astrology, along with a certain minimum amount of the use of medical knowledge they had acquired. In fact, we could say that these mixed medical therapeutic measures with other measures which science has proven as being of no therapeutic value.

In fact, much harm was done. Indeed, back in Charles II's time and for 5 previous

reigns, the sovereign passed his hands over persons suffering from glandular tuberculosis.

The practice of medicine has become more and more of a science than an art since that time and especially since about 1900 or 1910. Research has produced a knowledge of bacteria, virus, and so on, and antitoxins and toxoids have been made in order to cure and prevent the so-called infectious diseases. Antibiotics have been manufactured and have cured many diseases which were considered incurable, as well as shortening the average period of illness. Medical science has improved diagnostic procedures including radiography and laboratory techniques. Safer anaesthetics came into being and the techniques and procedures used by obstetricians and surgeons have improved tremendously, which has resulted in saving many, many lives.

One thing that has concerned a great number of people is that, in the changeover from the art to the costly science of medicine, the pendulum may swing too far. That is, if medicine is practised too much as a science and the conscientious kindness of the oldtime practitioner is forgotten, it will be the patient who suffers.

The truth is that approximately 70 per cent of human ailments are not really serious and are best treated by a large amount of kindly reassuring help in combination with a little medicine or minor surgery. For the remaining 30 per cent of illnesses, all modern medical resources may be necessary, including hospitalization, expensive new drugs, iron lungs, long surgical operations and meticulous nursing and medical care.

Because of the advance of science, an illness that really threatens your life may cost as much as a new car and even a minor ailment may put that new fur coat or television set at a couple of years further away. The average citizen has no more idea of whether the present high cost of medical care is justified than we physicians have of whether the development of a new jet plane should drain \$6 million out of Canada's taxpayers. It is no wonder that health insurance will likely become the next big political football.

The second part of my remarks today deals with the major problem throughout Canada and the United States and that is unemployment.

May I say to the hon. members of this House that unemployment cannot be dealt with by anyone having a magic wand. Certainly, we can follow the policy of the Frost government, of which I am proud to be a

member, and alleviate a great deal of unemployment by measures such as those being carried out by the hon. Minister of Municipal Affairs (Mr. Warrender).

But we must not stop there, and indeed the hon. Prime Minister (Mr. Frost) and the hon. Minister of Education (Mr. Robarts) realize that we must formulate a policy which will to a great extent cure this problem, but it will not be so in a day or a year.

I cannot agree with the views held by so many men and women of our nation, who blame the unemployment situation on the various governments, on the unions, on our export and import markets, and many other things. I feel that theirs is destructive criticism without any real thought to an overall policy of curing the condition. Speaking as a doctor, I have learned that the most efficient method of curing any condition is in detecting the cause of the condition and removing it. In my opinion, removing the cause is the basic principle of a permanent cure for this monstrous problem.

Everyone is entitled to the necessities of life as well as a reasonable amount of luxuries. Unemployed men who have families are just as anxious to give their families as high a standard of living as any of the hon. members of this Legislature, but they know that they must save the money they have now for the necessities of life for an uncertain future. Mr. Speaker, if you allowed your imagination a fair amount of latitude, you might say that unemployment has some relationship to the word "charm," which I was asked once to define. After a couple of days, I came up with this definition: "Charm seems to be the ability to captivate other people without doing anything about it." The charm of it is that it is impossible to analyze any of its ingredients.

In the same way, unemployment has captivated our people.

The main cause of unemployment, according to many experts, is automation. It is certain that automation will go forward in leaps and bounds spelling progress. History has proven to us that no nation can stop any progress that, in the main, is a good thing for the people. But the people must be ready to accept it and must have the knowledge to use it to the common good of the people.

I can see no other course than to accept this automation. But in accepting it, we have to prepare our people to live with it, to have the knowledge or education to use it, and control it in the interests of all our people.

We have already stated that the best treatment for any condition is to remove the cause. If we accept the fact that this increasing unemployment is caused by the increase in automation, and that automation can be dealt with only by giving the knowledge to handle it to our people, then let us give that knowledge.

This means that we will have to make a complete study of our classical or academic curriculum to see just how much of it should be included today in the elementary secondary schools and our universities. I would like hon. members to know that I am not criticizing our educationalists either of yesterday or today. Nevertheless, we are following a trend in education that puts altogether too much stress on the importance of academic work and not nearly enough stress on training these young people to use their minds to be best fitted to cope with the mechanical world of today. We must have vocational guidance teachers who have a keen interest and insight in the potentialities of each and every pupil.

May I say to the hon. members of this House, the hon. Minister of Education and his department and our universities have a big problem there in training these vocational guidance teachers, and I am just wondering whether we can train young men or women to carry out this job in an efficient manner.

I think it takes a person who loves people, who has worked with people for many years, like a family court judge, like certain ministers—men of the cloth—like certain doctors and so on, who have had terrific experience with people and thereby they are able to look into these children and note their potentialities.

Aptitude and IQ tests have not been proven to be very good yardsticks in evaluating the type of work for which the student is best suited. Nothing is being done for the student who has reached the limit of his academic capacity, but has not begun to tap the depths of his mechanical ability.

I might just tell hon. members a story because I was one of the ones who taught school. In fact, I am a charter member. I voted for teachers' superannuation. I am not telling what year it was, but I was not 16. So we voted on it and it was carried. Two-and-a-half per cent was taken off the salary of the teachers; I was getting at that time \$600 a year, which was a little more than most of them were getting, which was \$500 or \$550 in country schools.

Now the hon. Prime Minister said to me one morning: "You know you have accumulated a terrific amount of wealth in the form

of teacher's superannuation," and I said, "How much?"

Well, he had not remembered. He said: "You really taught school, did you?" and I said "Yes." I said, "I taught for four months."

"No," he said, "I think it was just three-and-a-half."

"Well," I said, "whether it was three-and-a-half or four, it was five months too long."

When I came up here to the buildings I found out that I had taught for exactly 43 days and then I enlisted in World War I and I have in the superannuation fund \$3.59.

"When can I draw that?"

"Well, you will never be able to draw it because you only taught for such a short time, 43 days."

I do not know how long one has to teach in order to get it back, but a lot more than that.

Now, when I was teaching school I taught a boy 13 years of age and I had just turned 17 at the time. This boy could not add one and two together, he did not know his A B C. He had been in the primer all the time from when he started school at 6 or 7, to 13 years.

So I went to see his father because I studied this boy and I saw he had a mechanical bent. I got him a job in a garage near there, in fact in the village of Shelburne, and in 1932, 15 or 16 years later I was going through Orangeville and this fellow came out, filled my car with gas, checked the oil and said: "Pay inside."

I walked inside, and it is quite a long walk, but I made it.

I said to the manager: "Why did you make me walk way in here to pay the bill, why didn't he take my money?" As a matter of fact I was practising then, I may say, and I had a little bit of money in my pocket at that time. Times have changed.

I started to smile and the manager said to me: "Do you know that fellow?"

I said: "I think I do." I am going to use the name "Smith." "Is his name Smith?"

"Yes," he said.

I said: "What is he doing here?"

He said: "He is our No. 1 mechanic."

Now, what do you think of that?

No one can make me believe that the Lord did not give each and every one of us at least one talent; most of us have more. I remember quite well when I went to public school that the Johnny or the Mary who stopped school in the junior or senior third

or even junior fourth, went home and worked on the farm or with any industry in the area. They quit school at that time because they had reached the limit of academic learning.

Yet in a few years, these boys and girls got married. They made excellent fathers and mothers, and their families turned out to be as intelligent or more intelligent than children born of highly educated parents. And right here I want to say that the hallmark of success today is a university degree. This has been proven to be contrary to realism.

To me, an education—whether it is limited to elementary schooling, or it is extended to include secondary schooling and university—can, at the best, give us only the foundation of our capacity to earn a livelihood. This scholastic education is like the foundation of a house. You have to have it before you can build a house. The house itself, I would liken to a full life and to carrying out the basic concrete principles of Christianity. For that, as I see it, is the contribution we should all strive to make in life.

It adds up to this: The academic work which we may do at a university is only a very small part of what it is necessary for us to do and to learn, in order for us to perform our all-important duties as we go through life. For most of us, as the years roll by, it becomes increasingly clear that the medium of actual study is, after all, a very small part of our education. The bulk of it is what we acquire gradually from the greatest teachers on earth—experience and our fellow man.

The only conclusion that I can draw is that, as soon as any child reaches his limit of academic study, he should be taught the technical and mechanical skills for which he is probably talented—such as operating complicated IBM machines, automatic machinery, bulldozers, and other heavy machinery used for the construction of high buildings or roads. And to be skilled in the construction of subways, because we all know that more and more cities are going to build underground transportation.

No one can tell me that there are not many, many of our young citizens who were not able to reach further than the completion of our elementary schools or first and second forms in high school who could not become specialists in the technical fields which I have already mentioned.

It is imperative that our young people receive the proper education, whether it be academic or technical, to make them specialists in the particular field of work for which they are most fitted. More attention must be paid by vocational guidance teachers

in working out a programme to train these technically talented students.

As automation progresses, it will mean a general lessening of work hours providing more hours of leisure. These hours of leisure can readily become a serious problem. We can only conclude that our educational policy must also include something in the creative field to fill in these leisure hours. A policy of this kind would provide work for everyone, and I know that you will agree with me, Mr. Speaker, that one of the most important things that produces happiness in a family or community is for everyone to be earning a livelihood.

I would like to close my remarks with what we might call a little philosophy. Happiness is something which some people are apt to confuse with pleasure. Personally, I would say that pleasure is always temporary while happiness can be permanent. Pleasure is physical in origin and is associated with things which we consider are fun to do—things like having a good meal, listening to music, lying in the sun.

These things come through the senses of sight, feeling, hearing, tasting and smelling. They are always temporary. They are pleasant in the sense that they are quite simply enjoyable in the most obvious way.

But happiness is something quite different. One can be happy when quite unpleasant things are happening. In order to be happy, we need a goal to strive for, the love of a few, and the respect of those who share our views. The opinions of others need not matter. Kindness in another's trouble, courage in our own—these are qualities that do matter.

The highest good, as many religious

teachers and philosophers have taught, lies in the spheres of character and spirit. Everyone has a contribution which he or she can make—be it large or small. And it is our experience in the university of life around us, that it is this contribution to good which will inspire our lives with conviction and with purpose and with incentive to a goal.

Mr. R. Brunelle (Cochrane North): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

THIRD READINGS

The following bills were given third readings, upon motions:

Bill No. 18, An Act to extend the boundaries of Algonquin provincial park.

Bill No. 19, An Act to amend The Provincial Parks Act.

Bill No. 21, The Department of Commerce and Development Act, 1960-1961.

Bill No. 22, An Act to amend The Department of Economics Act.

Bill No. 23, The Department of the Provincial Secretary and Citizenship Act, 1960-1961.

Bill No. 24, An Act to amend The Executive Council Act.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, I move the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, January 27, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, JANUARY 27, 1961

10 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden from the standing committee on standing orders presents the committee's fourth report as follows and moves its adoption.

Your committee has carefully examined the following petition and finds the notices, as published, sufficient:

Of the corporation of the Young Women's Christian Association of Canada praying that an Act may pass exempting certain lands from taxation except for local improvement rates.

Mr. Speaker: Motions.

Introduction of bills.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF CANADA

Mr. A. F. Lawrence moves first reading of bill intituled, "An Act respecting the Young Women's Christian Association of Canada."

Motion agreed to; first reading of the bill.

THE SURVEYS ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Surveys Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this bill is to transfer to the regulations the provisions with respect to the types, locations, and so on, of surveys and to make the provisions relating to the evidence to be shown on plans of subdivisions applicable to all plans of survey.

THE RAILWAY FIRE CHARGE ACT

Hon. Mr. Spooner moves first reading of bill intituled, "An Act to amend The Railway Fire Charge Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this amendment is required in order that the department not be in the position of having to charge double fee for fire protection. Now there is a charge under The Railway Fire Charge Act as well as under The Crown Timber Act, and some of the lands which were railway lands are now coming back into the Crown and therefore are under the jurisdiction of The Crown Timber Act. The bill will delete from the Act certain persons holding licences under The Crown Timber Act so that there will not be a double charge.

THE CORPORATIONS ACT

Hon. J. Yaremko moves first reading of bill intituled, "An Act to amend The Corporations Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, there are 3 sections in the amending Act. One section brings up to date the powers of the Incorporated Employees Mutual Benefit and Pension Fund Society in line with the benefits now provided in employer pension plans, and two other sections are for the purpose of providing that corporations that operate stock exchanges may have as president, chairman of the board, and directors persons who are not shareholders or members.

THE MARRIAGE ACT

Hon. Mr. Yaremko moves first reading of bill intituled, "An Act to amend The Marriage Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, under the present Act magistrates are empowered to perform marriages. This extends the power to deputy magistrates.

THE BAILIFFS ACT, 1960-1961

Hon. A. K. Roberts moves first reading of bill intituled, "The Bailiffs Act, 1960-1961."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is a re-writing of The Bailiffs Act to procure more control of the bailiffs in appointments and continuity of office.

If this bill is enacted they will be appointed by order-in-council for a specific county, and then if they are operating outside that county they will have to get the approval of the county judge of any additional county in which they are going to operate, and they will be bonded.

Division court bailiffs are bonded now, but outside bailiffs, I understand, are not bonded at the present time and this is a new provision for bonding.

The question of removal from office is specified in section 9 for incompetence, incapacity or failure to comply with the requirements of the Act. These are all matters which could be the subject of recommendation by the Attorney-General for revocation, but before making such a revocation under subsection (1) of this section the Attorney-General may require the judge of the county court of the county for which the bailiff was appointed to investigate and report his opinion.

Mr. Speaker: Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, might I say that, following the matter raised by the hon. member for Woodbine (Mr. Bryden) yesterday, I obtained a report on same and I was prepared to proceed but the hon. member for Woodbine is not in his seat, nor is the hon. member for York South (Mr. MacDonald), so I think I had better postpone the consideration of it until Monday. But I want it understood that I am ready to proceed and would ask that the hon. member for Oshawa (Mr. Thomas) advise his fellow hon. members of the fact that I was here ready to do business.

Hon. W. K. Warrender (Minister of Municipal Affairs): Since the federal government announced legislation which will provide financial assistance to the municipalities wishing to do sewerage work, the Ontario water resources commission has been co-operating with the Central Mortgage and Housing Corporation in arranging to get work under way.

The details for proceeding on these sewage

works now has been worked out between the Ontario water resources commission and the Central Mortgage and Housing Corporation, and as a result the commission will take immediate action on this project. There are a number of these ready to be undertaken at once, and others will follow as engineering plans are completed.

These projects will now be carried on as part of the Ontario water resources commission programme, and the commission is prepared to finance that part of the programme not covered under the federal legislation.

At the present time the commission estimates there is a programme involving nearly \$58 million on sewage work in Ontario ready to proceed. This means over 700,000 man-days of work.

To give an idea of these projects I should like to read them. These are projects ready for immediate construction: Bradford, Bowmanville, Fort William, Galt, Hamilton, Mitchell, Ottawa, Paris, Peterborough and Metropolitan Toronto. That is a total of nearly \$58 million.

In addition, there are projects in the planning stage work amounting to \$67 million and involving 835,000 man-days of work.

Other projects are being developed to comply with this new arrangement amounting to \$9.3 million for 115,000 man-days of work.

There are a very large number here and I think I should read them:

Alexandria, Amherstburg, Arnprior, Arthur, Aylmer, Barrie, Belleville, Blenheim, Bradford, Brantford, Brockville, Chatham, Cornwall, Dundas, Elmira, Espanola, Exeter, Fort Erie, Fort Frances, Fort William, Goderich, Hanover, Hawkesbury, Kincardine, Leamington, London, Midland, Mount Forest.

Also included are New Hamburg, Newmarket, Niagara township, Niagara Falls, Owen Sound, Pembroke, Penetang, Pickering township, Picton, Port Arthur, Port Dalhousie, Port Dover, Preston, Rainy River, St. Catharines, Shelburne, Simcoe, Southampton, Strathroy, Sudbury, Tavistock, Thorold, Tilbury, Timmins, Trenton, Uxbridge, Vankleek Hill, Wallaceburg, Welland and Windsor.

That will give hon. members the amount of work being done and ready to be done by the Ontario water resources commission.

These combined projects exceed \$134 million for over 1.6 million man-days of work.

In addition, the programme will provide many jobs, will aid markedly in providing

good sanitary environment, and will do much to further the cleaning up of pollution in Ontario's streams.

Mr. V. M. Singer (York Centre): Have any arrangements or directions been given to the municipal board to apply a different formula when these municipalities apply?

Hon. Mr. Warrender: That is right. The way is now paved to process the applications quickly.

Mr. A. Wren (Kenora): Mr. Speaker, may I ask the hon. Minister a question? Due to the announcements he has been making during the last couple of days on these huge projects, has he done anything to co-ordinate his activity with that of the hon. Minister of Planning and Development (Mr. Nickle) and the hon. Provincial Secretary and Minister of Citizenship (Mr. Yaremko) to provide for another airlift from Europe to get the men to do all this tremendous amount of work?

Hon. Mr. Warrender: I do not know about an airlift, but I may say that all hon. Ministers work in close co-operation.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the following:

The annual report of The Department of Reform Institutions for the province of Ontario for the year ending March 31, 1960.

Hon. J. W. Spooner (Minister of Lands and Forests): I would like to deal with the question which was asked of me yesterday by the hon. member for Kenora. The question he asked was:

In view of recent newspaper reports of remission of penalties for persons convicted of breaches of game and fisheries regulations, in how many instances have the penalties been remitted, who have been excused and what is the total amount remitted?

The last part of the question was:

What procedure is followed by a convicted person to gain remission of fine?

Replying to the first question, Mr. Speaker, in 1959 there were no remissions; in 1960, 6 persons were involved; in 1961 to date, one person.

The names of those excused are as follows: Mr. Ewart Jennings of King, Ontario; William Bailey, Leaside, Ontario; Kenneth Harmon, Holland Landing; R. Francis, Bay-

field; George Hagen, Kitchener; John Kalinikos, Toronto; David Howe, Aylmer.

The total amount remitted is \$2,150. I would like to give an explanation of the reasons for these remissions.

Dealing with the case of Kenneth Harmon of Holland Landing, this person accidentally killed a bull moose during the closed season on November 10, 1959. The district forester at Lindsay advised that immediately after the incident Mr. Harmon reported the details concerning the shooting to the nearest conservation officer and was very co-operative in removing the carcass from the bush.

Information was laid and on November 25 Harmon was convicted of the offence and fined \$100 by Magistrate Moore. The fine was paid by Harmon, remitted by the magistrate to the inspector of legal offices and by him deposited with The Treasury Department.

The district forester has recommended that in view of Harmon's co-operation, consideration should be given to a refund of a portion or all of the penalty. We in The Department of Lands and Forests head office agreed with the recommendation and recommended that the total fine of \$100 be refunded to Kenneth Harmon.

The next case is that of Ewart Jennings, RR No. 3, King, Ontario, who accidentally killed a cow moose during the closed season on November 10, 1959. The district forester at Parry Sound advised that immediately after the incident Mr. Jennings reported the details concerning the shooting to the nearest conservation officer and was very co-operative in removing the carcass from the bush.

Information was laid, and on November 26 Jennings was convicted of the offence and fined \$200 by Magistrate Howe. The fine was paid by Jennings and remitted.

The district forester has recommended that in view of Jennings' co-operation, consideration should be given to a refund of a portion or all of the penalty. We agree with the recommendation and suggest that the total fine of \$200 be refunded to Ewart Jennings.

In the case of William Bailey, 22 St. Cuthbert Road, Leaside, Toronto, Ontario, he accidentally killed a bull moose during the closed season on November 13, 1959. The district forester at Lindsay advised that immediately after the incident Mr. Bailey reported the details concerning the shooting to the nearest conservation officer and was very co-operative in assisting in removing the carcass from the bush.

Information was laid and on November 25

Bailey was convicted of the offence and fined \$100 by Magistrate Moore. The fine was paid in the usual way.

The district forester has recommended that in view of Bailey's co-operation consideration should be given to a refund of a portion or all of the penalty. We agree with the recommendation and suggest that the total fine of \$100 be refunded to William Bailey.

The next case is that of Mr. Reg. Francis, Bayfield, Ontario, who accidentally killed a cow moose in the closed season on November 11, 1959. The district forester at Parry Sound advised that immediately after the incident Mr. Francis reported the details concerning the shooting to the nearest conservation officer, was very co-operative and assisted in removing the carcass from the bush.

Information was laid and on December 18 Francis was convicted of the offence and fined \$200 by Magistrate Powell. The fine was paid by Francis and remitted to The Treasury Department.

The district forester has recommended that in view of Francis' co-operation, consideration should be given to a refund of a portion or all of the penalty. We agree with the recommendation and suggest the total fine of \$200 be refunded to Reg Francis.

The next case is that of George Hagen, 18 East Avenue, Kitchener, who accidentally killed a cow moose during the closed season on November 21, 1959. The district forester at Parry Sound advised that immediately after the incident Mr. Hagen reported it to a conservation officer and gave his full co-operation.

Information was laid and on December 9, Hagen was convicted of the offence and fined \$200 by Magistrate Thomas.

The district forester has recommended that in view of Hagen's co-operation, consideration should be given to a refund of a portion or all of the penalty. We agree with the recommendation and suggest that the total fine of \$200 be refunded to George Hagen.

These statements which I have been reading, Mr. Speaker, are from the report of the chief of the branch of fish and wildlife of The Department of Lands and Forests to the Deputy Minister. This, in turn, after being studied by him and other officials including the assistant Deputy Minister, eventually got to my desk. I have the choice of either approving or not approving the recommendation of my officials.

The next case I would like to report on is that of Mr. John Kallinikos of Toronto. Mr. Kallinikos is a Toronto fur dealer who was

in violation of The Game and Fisheries Act by neglecting to obtain a \$5 fur dealer's licence to deal in pelts. He was found in possession of 320 mink pelts and a charge was laid for having these pelts in his possession without the authority of a licence.

The minimum fine for this type of offence is \$5 a pelt and the maximum is \$25 a pelt. In the circumstances, the magistrate imposed the minimum fine, on the basis of 320 pelts, amounting to \$1,600.

Representations were made to the department by the convicted person and it was concluded, having regard to all the circumstances, that the failure to have a licence costing \$5 was not so serious as to warrant the fine of \$1,600. Consequently a recommendation was made to remit the sum of \$1,350 and, in effect, the fine paid by the violator was \$250.

The next case is that of David Howe. This is a case where a hunter, who was properly licensed, shot at a moose and wounded it. He then began chasing the animal in order to find it. He came upon a moose and, thinking that it was the one which he had shot at in the first place, he shot the moose. He then went to get his partner who had come with him, but the other man was not licensed and was not hunting.

When they were cleaning the moose which had been shot they discovered the second animal which was in a wounded condition. In order to put this animal out of its misery the hunter shot the second moose.

Mr. Howe also reported the incident to the nearest conservation officer and was very co-operative. The officer had no alternative but to lay a charge against him and he appeared before the magistrate and was fined \$100. After receiving a request from the man involved, it was decided by the officials of the department that 50 per cent of his fine would be remitted and the amount of \$50 has been remitted to Mr. Howe of Aylmer, Ontario.

All of these remissions, Mr. Speaker, are first processed through the regular channels in The Department of Lands and Forests. All the officers involved report on the individual case and, if approved, then application is made to the Cabinet for an order-in-council. The order-in-council must be passed before the fines or any portion of them are remitted.

If the hon. member for Kenora requires additional information, I would be glad to make our files available for his inspection.

Mr. Wren: By way of a supplemental question, I wonder, first of all, if there are some

cases perhaps his department has overlooked and has not reported to him. My most important concern is not the people involved or the amount of money involved. In the case of the fur seizures the hon. Minister reported this morning, he tells this House the magistrate fined him the minimum of \$5 a pelt.

Now it seems to me that in the days when communication in this province was rather difficult, perhaps some leeway should be left to a department to adjudicate on what the courts do in these cases; but I think it is now a bad law.

I am not a lawyer, and perhaps the hon. lawyers in the House will enlighten me on this. But I think it is a bad law that, when a person appears before a court in the proper manner and is dealt with by that court, he can then, without recourse to appeal or any other normal procedures that other people have to follow, apply to a department of government and be relieved of the penalties imposed by the court.

Now, I say to the House, Mr. Speaker, without prejudice that this privilege has been abused from time to time. I recall a case where a fur seizure took place, and it was a very flagrant violation of the Act which had been going on for years. Through very diligent effort of the conservation officers of the department this man was finally apprehended. This was some years ago and has nothing to do with the present question. But the principle involved is this: That after the diligent efforts of these officers to spot these practices, lo and behold, within a year after the man was convicted his fine was remitted.

Mr. Speaker: I would point out to the hon. member that asking a question is for the purpose of receiving information and not for the purpose of giving information which can be given possibly at another time.

Mr. Wren: Mr. Speaker, I am seeking information as to why these are not processed through the courts by way of appeal.

Hon. Mr. Frost: This is no time for me to elaborate on that.

Mr. Wren: May I ask the hon. Prime Minister how these moose are accidentally killed? Now, I can understand hitting them on a highway with a car and accidentally killing them. I have done a good deal of hunting in the bush myself, but I do not see how you can accidentally kill them when you shoot at them with a rifle intending to kill them.

Hon. Mr. Frost: I would point out to my hon. friend that the north Victoria and Haliburton country is, of course, contiguous to the Algonquin park country. Now, there has been a great change in the population of moose and deer. The moose have been increasing spectacularly in that country.

The hunters there now number in the thousands. Now, I think it really gets down to being a matter of good faith. My hon. friend is an old hunter; I would like to go hunting with him myself some day and I am going to try to arrange that.

I am a hunter myself. Although I never have very much success, I am fond of going into the bush. These things, as my hon. friend knows, are sometimes difficult to deal with. I notice a number of those cases are from Lindsay. Please do not associate that with me; I am not familiar with any of these gentlemen. They all came from other places like Brantford and Kitchener, and places like that. I know nothing about them myself.

I would say, sir, that I think that this could be discussed when we come to the estimates of this department.

Just before the orders of the day I noticed an item in the morning paper where reference was made to a 3,000-acre addition to the Metropolitan Toronto parks system, that is in the conservation system, and I noticed that the commissioner in Metropolitan Toronto reports it is anticipated within 10 years this area will be extended to 10,000 acres.

I would point out to hon. members of this House that that is at least a fifty-fifty project with this government and involves a very great deal of employment. That may add to the requirement for the airlift my hon. friend has mentioned, and I am glad to note on this bright morning there is that optimism about the future of this vast expansion.

We had arranged to have His Honour the Lieutenant-Governor (Mr. Mackay) give assent to certain bills. The purpose of this would be to enable us to put the estimates of the departments concerned in their proper place on the order paper; but I notice that there is a question here.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, if the hon. Prime Minister is referring to the question which I intended to ask, I would preface it by saying that I acknowledge the question was only prepared this morning and adequate notice technically has not been given.

The question, Mr. Speaker, is this: Can the hon. Prime Minister tell this House if

the government of Ontario has asked, or intends to ask, the federal government to approach the new United States administration with a view to achieving an adjustment in uranium prices so that conditions in Elliot Lake might be improved?

Hon. Mr. Frost: Of course, the question, as my hon. friend says, has just been prepared this morning, and I received it just as I came into the House.

The answer, I think, would involve a good deal of elaboration, as he would understand.

But in answering his question briefly, I would say this, that the government has not only proposed that and discussed it with federal authorities, but a great many other things in relation to the uranium matter. There are, I think, opening up greater possibilities for the use of uranium, quite aside from the question of price.

Now, of course, price is necessary and fundamental but that is really tied down to the use of the commodity.

I have some correspondence on my desk, which I was going to discuss with one of the hon. Ministers this morning, in relation to this very problem. And I can assure my hon. friend that we are not only very much concerned, but we are very active, in endeavouring to co-operate with the industry in working out the basic problem, which is the use of uranium upon which price, of course, depends.

That can and will be discussed later in this House. That is the best answer I can give off the cuff, as it were, at this time.

Before the orders of the day, may I ask your permission, sir, to escort His Honour the Lieutenant-Governor to the chamber for the purpose of giving assent to certain bills?

The Honourable the Lieutenant-Governor entered the chamber of the legislative assembly and took his seat upon the Throne.

Mr. Speaker: May it please your Honour, the legislative assembly of the province has, at its present sittings thereof, passed several bill to which, in the name and on behalf of the said legislative assembly, I respectfully request your Honour's assent.

ROYAL ASSENT

Assistant Clerk of the House: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill No. 18, An Act to extend the boundaries of Algonquin provincial park.

Bill No. 19, An Act to amend The Provincial Parks Act.

Bill No. 21, The Department of Commerce and Development Act, 1960-1961.

Bill No. 22, An Act to amend The Department of Economics Act.

Bill No. 23, The Department of the Provincial Secretary and Citizenship Act, 1960-1961.

Bill No. 24, An Act to amend The Executive Council Act.

To these Acts the Royal assent was announced by the clerk of the legislative assembly in the following words:

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these bills.

The Honourable the Lieutenant-Governor was pleased to retire from the chamber.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. R. Brunelle (Cochrane North): Mr. Speaker, in taking part in the Throne debate I wish first to commend you, sir, for the gracious, efficient manner in which you preside over the deliberations of this House. I, also, thank you for the many kind courtesies you have extended to me since I became a member.

I am pleased to congratulate the hon. member for Simcoe Centre (Mr. Evans) and the hon. member for Timiskaming (Mr. Hoffman). I feel quite close to these two hon. gentlemen as I was born and spent the early part of my childhood in that historic constituency of Simcoe Centre in the scenic town of Penetanguishene on Georgian Bay.

The lure of the north gravitated my family to northern Ontario where we first made our home in the fine town of New Liskeard, centrally located in the midst of Timiskaming.

The people of these two constituencies certainly exercised very fine judgment when they sent these capable hon. members to be their representatives in the Ontario government. Their election as government members was an endorsement and a tribute to this efficient administration which has at its helm our illustrious leader, the hon. Prime Minister (Mr. Frost).

I wish to felicitate my colleague, the hon. member for Lanark (Mr. Gomme), and the

hon. member for Simcoe Centre for their fine speeches in moving and seconding the motion for the adoption of the address presented by His Honour the Lieutenant-Governor (Mr. Mackay).

I also take this opportunity to congratulate the hon. Minister from York West (Mr. Rowntree) for his appointment as Minister of Transport and the hon. Minister from St. Andrew (Mr. Grossman) and the hon. Minister from Middlesex North (Mr. Stewart) for their elevation to the Cabinet. It is with pleasure that I offer congratulations to the hon. member for Carleton (Mr. W. E. Johnston) for his appointment as Deputy Speaker of this assembly.

I now wish, Mr. Speaker, to speak on matters pertaining to that great constituency, which I have the honour to represent, Cochrane North.

The present economy in this northern region is quite good and the future looks promising. We are fortunate to have, at this time of year, more employed people than we have had in previous winters. The Hydro projects at Otter Rapids, approximately 60 miles north of the town of Cochrane, and the project at Little Long Rapids, 42 miles north of Kapuskasing, together provide employment for more than 1,000 persons. The work force at the Little Long Rapids project is expected to exceed 800 men at peak construction this summer.

I visited again last week this modern community called Little Long situated on the west side of the majestic Mattagami river which flows north into James Bay. This miniature town has practically all the amenities of modern living. I visited a 4-room school, a well stocked supermarket, a large cafeteria which can serve more than 500 people at one sitting, a recreation hall in the process of being completed which will contain bowling alleys, pool tables, dance floor and snack bar. Rows of neat houses provide accommodation for families and staff quarters for single employees.

Little Long is the first of the 3 Mattagami river sites scheduled for development in the next few years. As construction at Little Long nears completion, work will get under way at Harmon generating station, 13 miles downstream at Upper Long Rapids and at Kipling generating station, 3 miles further downstream at Lower Long Rapids.

Power from these 3 stations on the Mattagami and from Otter Rapids on the Abitibi river—an estimated total capacity of 528,000 kilowatts—will be transmitted at 230,000 volts to a new terminal station near the existing

Abitibi Canyon plant. The new transformer station, to be named Pinard, is scheduled for completion in 1963.

While the 3 Mattagami stations are under construction, the commission will build the first major 460,000-volt transmission line in North America. In all, some 450 miles of line will be constructed as far south as the Barrie area to form the extra-high-voltage system, which will integrate the output of these remote stations into Hydro's combined northeastern and southern Ontario systems. Eventually the line will extend as far as Toronto.

While on the subject of Hydro, Mr. Speaker, I would like to say a few words with regards to the men engaged in clearing some 12,000 acres of bush country. These woodcutters are known as slashers. To date, slashers have cleared along the 5-mile line of dyke which will be built to contain the headpond, and access roads along the entire length of the dyke have been completed so that construction can start early this spring.

Much has been said about these slashers. I visited and talked with these hard-working men. Bush work in the great outdoors is the type of work that they have been doing for years. They work on their own time and prefer this to a regimented work schedule. They are paid so much an acre for clearing—the price varies between \$190 and \$265 per acre, depending on the type of terrain and the density of the bush. They usually work 6 days per week, during which time they would average from \$100 to \$150. In speaking to these men, I found them to be very content and satisfied with the rate of pay and working conditions as set out by Ontario Hydro.

When the woodcutters are hired, and this is usually done through the local national employment office, they are asked to provide tents, sleeping bags, chain saws, and all that makes up a bushman's equipment. They are supposed to be men of substance.

During the summer and fall they live in tents. Those who are familiar with prospecting and bush work carried on in remote areas where there are no roads will readily understand that tents are the usual and acceptable portable type of living quarters.

The slashers are now living in transportable cabins, provided without charge by the Ontario Hydro. This type of movable hut has been studied by Hydro authorities as early as 1956. The men are very pleased with these comfortable dwellings. To encourage the men to keep their huts in a clean and tidy manner, bonuses are given.

Mr. Speaker, I would like you to pay close attention to these figures: there are presently 76 slashers working; of this number 27 have been working for approximately 9 months since the project began last spring. Ten have been working for Hydro between two and 5 years; 28 have been working for Hydro for 5 years and more; and 11 have been working for Hydro for 10 years and more. Mr. Speaker, these are very revealing figures. More than half of these men have been working for Hydro for more than 5 years.

I ask the hon. members of this House, through you, Mr. Speaker, would these men have remained with the same employer—Hydro—for that length of time if they had been dissatisfied with the rate of pay and the working conditions? The answer is obvious.

Their lengthy service with Hydro is tangible evidence that these woodcutters are quite satisfied, and also refutes the wild statements made in the press and in this House that these men were not getting fair treatment. There is very little turnover among these workers and there are numerous demands for this type of employment.

Mr. Speaker, if you recall, all this fuss came about towards the end of August. This might be just a coincidence, but it was just about a month prior to the byelection in Timiskaming and also to the byelection in Simcoe Centre.

Permit me to speak briefly on one of the most promising industries of the north, the tourist industry. No other region in the world possesses as many lakes and rivers as does northern Ontario. As a matter of interest, the glacial period which lasted about 500,000 years profoundly affected our present existence. All of northern Ontario and some other parts of Canada were covered with ice-sheets thousands of feet thick in the glacial period, often referred to as the ice age. Lakes which now are teeming with fish, rapids and rivers which provide us with hydro power sites, are all the result of glaciation.

I was pleased to hear in the speech from the Throne that, in recognition of the services rendered by tourist associations, matching grants will be made to approved regional tourist organizations to encourage the more effective development and promotion of Ontario's tourist industry.

This financial assistance will be of great help to the existing regional associations, and will encourage the formation of new ones. I wish to commend this progressive government and the hon. Minister of Travel and

Publicity (Mr. Cathcart) for this forthcoming legislation.

The inauguration of a record highway-building programme at a cost of more than \$261 million, has greatly contributed to attracting more tourists to Ontario. My people in Cochrane North are very appreciative of the tremendous work done on our main highway No. 11 as well as for other road work carried on secondary highways. It was a pleasure to have with us last fall the hon. Minister of Highways (Mr. Cass) to officiate at the opening of the two new bridges at Kapuskasing.

He is indeed a true friend of the north and we hope that he will continue and expand his road-building programme for northern Ontario. Money spent on northern roads should not be considered as expenditures but as worthwhile investments which will reap rich dividends.

It was gratifying to hear, on November 22, 1960, that the hon. federal Minister of Finance (Mr. Fleming) introduced legislation in the House of Commons to enable Canadian banks to make guaranteed loans of up to \$25,000, repayable over 10 years, to proprietors of small businesses. Tourist establishments are included in this new legislation.

This is a major step in helping the tourist operators to improve and modernize equipment and premises. For some years, tourist operators were obliged to pay high rates of interest to obtain loans from private sources because of the difficulties of obtaining credit through lending institutions.

I wish to say a few words, Mr. Speaker, on a most important subject which will affect the future development of northeastern Ontario, and that is land-use planning. The Department of Lands and Forests, under the able leadership of the hon. Minister (Mr. Spooner), have been giving considerable study to this complex problem and set up a few years ago a land-use planning section.

This report, based on studies carried on by agriculturalists and foresters in Glackmeyer township, district of Cochrane, contains a plan for the future development of both forestry and agriculture on lands best suited for the purpose.

One of the basic recommendations contained in the report is the one pertaining to land classification. The system of land classification, if carried out throughout the clay belt, would first ensure that the future farms be located on soils best suited for agriculture. This would ensure that public funds in the form of subsidies were being invested in the best land.

The findings suggest that forestry rather than agriculture is the most fitting use for most of the land of northern Ontario, even for those lands whose agricultural potential is high enough to permit farming in the near future. Forest tending requires forest settlements, communities not of woodcutters but of farm-forest workers. To do the job ahead, these must have the skills of the farmer rather than those of the bush-cutter. In order to live a full life, they must be an integral part of the rural communities of the Cochrane clay belt. The future communities must be envisioned as a combination of farmers and farm-foresters.

I was interested to hear, Mr. Speaker, that the federal government will be introducing a bill to authorize them to enter into agreements with the provinces in the broad field of agricultural rehabilitation and development. The programme calls for a series of federal-provincial agreements under which both levels of government can participate in projects designed to turn sub-marginal land into productive areas through such schemes as woodlot farming and grassland operations, and thus raise the level of rural and farm income.

I will now, Mr. Speaker, speak on matters pertaining to the economic development of northeastern Ontario.

With an increasing population, we must look ahead to provide more employment. We should do our utmost to help maintain and expand our main industries: the forest, mining, agricultural and tourist industries. Also, although not a simple problem, we should continually strive to attract new industries to establish in our northern region.

In my opinion, one of the most serious problems which is detrimental to our northern industries is that of discriminatory freight rates. The transportation factor assumes great proportions in northern Ontario. We are distant from the markets in southern Ontario and the United States; the major exports are of low value—being mainly raw rather than finished products—and there is little or no effective choice in transportation facilities to be used.

I am aware, Mr. Speaker, that freight rates are a federal matter. The Ontario government made a submission before the Royal commission in Toronto in March, 1960, with regard to the problem of high freight rates. We will await with interest the findings of the Royal commission on rail transportation to be released this spring.

Since the prosperity of northern Ontario depends to a large extent on our forest indus-

tries, I believe we should assist by constructing more access roads. Roads and resources are inseparable. Neither can prosper, far less survive, without the other.

The federal government recently announced that it was making available to the provinces, on a fifty-fifty cost-sharing basis, the sum of \$5 million of which Ontario would stand to receive approximately \$1 million. This money is available for the construction of forest access roads to improve facilities for fire protection and for forest management.

I strongly recommend, Mr. Speaker, that this government avail itself of this offer. Not only would it open up our natural resources, but also it would stimulate winter employment among some of our unemployed bush-workers.

To develop northern Ontario more fully and more rapidly, I firmly believe that we should obtain more information about the area, and do more planning.

This study called *The Northeastern Ontario Region Economic Survey*, prepared by The Ontario Department of Economics, provides economic and statistical information relating to the population, employment, geography, natural resources, industrial production, transportation and countless other activities that make up the economic life of this northern part of the province.

However, Mr. Speaker, more information on this rich region, often referred to as the treasure chest of Canada, is required. This information can best be obtained by a detailed economic survey conducted by experts in this field.

May I point out that our sister province of Manitoba spent the large sum of \$750,000 on an economic survey of northern Manitoba. These surveys were conducted by an American firm of research consultants, the Arthur D. Little Corporation. There is available, for this type of specialized survey, a Canadian firm called the Economic Research Corporation with offices in both Toronto and Montreal.

Russia with her huge northern territory has made great progress in developing those remote regions. I was told by someone who spoke to Russian experts on this subject that they claimed that our north could not be developed under our system, and they described their methods.

They divide their country into huge areas, into blocks, and in each region they make a detailed research survey. They conduct what they call feasibility studies of the

various products utilizing the natural resources of the area which could be manufactured economically.

If I may give one brief example of how this could be done in our area; I would say, for instance, brick manufacture. Last year in our home town of Kapuskasing more than \$1 million was spent in house construction, and I would say that I do not believe that we had more than 81 buildings constructed of brick because bricks are too expensive, our freight rates are high. We have material to make bricks, I understand, in the area.

If we had this type of study of detail about the material to be used, the labour cost in the area, the accessibility of power, and so forth, this would stimulate industry to establish.

Although I would not advocate that we adopt the system of the Russian regime, I do firmly believe, Mr. Speaker, that we could learn much from them about their methods of development of natural resources in northern areas. Instead of our hit-and-miss method of development, we should do more planning. This can be done in a private enterprise system with the government providing stimulation and research and creating a favourable economic climate.

The regional development associations, under the supervision of the trade and industry branch, are doing monumental work in promoting the economic growth of Ontario through analysis, planning, and co-ordinated direction on a regional basis of all phases of development. In my humble opinion, they should be given more assistance and increased funds to help Ontario create more jobs by helping to expand our manufacturing industries.

Mr. Speaker, it is my hope that it will be possible to have the hon. members of this House visit our beautiful north country this summer. I am sure that when they see our beautiful lakes and majestic rivers—the Abitibi, the Mattagami and the Moose rivers—visit our fine towns such as Cochrane, Kapuskasing, Smooth Rock Falls, and Hearst, and our northern communities at Moosonee and Moose Factory, they will realize that this is one of the most scenic and interesting regions in Canada populated with the most industrious, friendly and hospitable people one may find.

I am pleased to conclude, Mr. Speaker, by saying that we have with us this morning, sitting under the Speaker's gallery, Mr. Tommy Mather of Kapuskasing, one of the very fine citizens who exemplify our northern people.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, I would like to join those who have preceded me in extending my very sincere thanks to you for the many courtesies extended to us and for your assistance and co-operation so readily given.

I would also like to congratulate the hon. mover and the hon. seconder of the motion now being debated in this assembly: the hon. member for Lanark (Mr. Gomme) and the hon. member for Simcoe Centre (Mr. Evans).

Mr. Speaker, I want for a moment or two to refer to the hospital plan now operating in Ontario. May I say, at the outset, that I believe the plan is working very satisfactorily, and I want to congratulate the members of the commission and the staff for doing a very good job on the first year of operation. Of course, there are some disappointments, but by and large I believe our people are very well pleased with the plan.

We in our group are not surprised at its success; for over the years, Mr. Speaker, there have been no greater advocates for a hospital plan in the province of Ontario than the CCF hon. members in this assembly.

We were fortified in our fight because of the success of the Saskatchewan plan which had been in operation 13 years before the Ontario plan. The Ontario programme is successful because, as the hon. Prime Minister (Mr. Frost) stated in this assembly two years ago, it is patterned on the Saskatchewan plan and, according to him, that plan was the best operating in Canada. So, borrowing from our CCF friends in Saskatchewan, with the addition of knowledge gained of hospital needs in Ontario, with the odd original idea thrown in, we can be pleased with the first year of operation.

Mr. Speaker, one of the great needs of our people, of course, is additional bed accommodation in our hospitals. Today, many persons having need of surgery have to wait sometimes 1 to 3 months before they can be admitted to hospital.

I would like to compare figures taken from the commission report for 1959 regarding hospital bed construction for the past 10 or 12 years. According to the figures, in 1947 we had in Ontario 16,472 public hospital beds. This was increased to 31,519 by the end of 1959.

This, of course, seems to be quite impressive and the commission lost no time in stating this was a 91 per cent increase. But this is not a true picture, for in 1947 we had a population of 3,942,000, and with 16,472 public hospital beds this was at the rate of 4 beds per 1,000 of the population.

In 1959, we had a population of 5,682,338 and 31,519 hospital beds, which is approximately 5 beds for every 1,000 of population. If the increase in population is considered, then I suggest the figure is not impressive at all. In fact, we are just "dragging our feet."

I think the answer to this shortage is greater financial assistance from the provincial and federal governments towards the cost of hospital construction.

I well remember that in 1956, before the introduction of the hospital plan, the hon. Prime Minister stated his government had no intention of introducing a hospital plan and accepting premiums for a service they could not give. Yet the hospital commission is doing exactly what the hon. Prime Minister said this government would not do.

I suppose the reply of the hon. Prime Minister and the hospital commissioners would be: "Where is the money to come from?"

It is interesting to review the brief history of the Ontario hospital plan. I can recall the persistent efforts of the hon. Prime Minister to delay it. All hon. members can recall his statement that the plan was one of great magnitude. It required a great deal of thought, for his estimate was that it would cost about \$215 million to operate in the first year of operation.

He was very wrong on that count, for the financial statement of the commission gives the figure of \$161,689,808. In fact, he was out about \$54 million. If that is estimating by the experts, then I suggest to him, Mr. Speaker, he had better invite or draft a few laymen onto the commission.

When we were discussing the plan and the cost of administration he stated, according to his figures, that the cost would be about 8 per cent for administration. Yet the figures given by the commission for the administration costs are \$4,025,185, after deducting \$189,556 recovered from the Ontario hospital association and credit union mutual benefit association. Therefore, the net expenses were 2.5 per cent of the total expenditure for the year and represented 73 cents annually for every person insured.

Now, Mr. Speaker, I suggest to you that the hon. Prime Minister was well off the beam on that estimate.

I well remember when I stated that I believed the figure of the cost of administration had been deliberately distorted, the hon. Prime Minister showed quite plainly that he was very angry and demanded I withdraw the word "deliberately." I acceded to his request, but I submit to you, sir, in view of

the figures presented by the commission, there was some justification for such a remark.

When the hon. Prime Minister gave his estimate of \$215 million, he stated the plan would be financed in this manner: one-third by the federal government; one-third by the premium holders and one-third by the provincial government. Well, the premium holders are meeting more than their share for they contributed to the plan, for the year ending 1959, the sum of \$71,397,814. The federal contribution is estimated to be \$72 million. That leaves the contribution of the Ontario government at \$18.5 million.

This \$18.5 million is further reduced by \$3,399,891 in the following manner: the premium for married persons with dependants is \$4.20 per month and for a single person \$2.10 per month. By agreement with the commission, the 20 cents and 10 cents per month is paid to the Ontario government—a total of \$3,399,891—for the improvement of care in provincial mental institutions. This further reduces the Ontario government contribution to roughly just over \$15 million.

In concluding my remarks regarding the report of the commission, I want to say this, Mr. Speaker, with a great deal of emphasis. I see no need at the present time for any increase in premiums if the Ontario government will assume the share of the cost as stated by the hon. Prime Minister some 2 or 3 years ago. In fact, I believe the premiums could be reduced or the service extended, if the government were to do so.

Hon. L. M. Frost (Prime Minister): The hon. member is in a nice frame of mind this morning.

Mr. Thomas: Thank you very much. It is very nice of the hon. Prime Minister to say that.

Mr. Speaker, I would like to refer for a moment or two to The Workmen's Compensation Act.

With the acute unemployment today, one may ask if there are any measures we may take which would help to ease the critical situation right now. I think we, in this group, have made it crystal clear that our first job is one of pump-priming—measures to put more purchasing power in the hands of those persons on pensions. For we can be assured, if pensions for the aged, unemployment payments, mothers' allowances and disabled persons' allowances were increased, that every penny of the increase would find its way back into circulation because the need of these groups is so great and the allowances paid at the present time so small.

One subject I wish to deal with today is the widow's pension under The Workmen's Compensation Act. If a worker loses his life in an industrial accident, his widow is entitled to a pension of \$75 per month, with \$25 for each dependant. But the maximum payment out of the fund is \$150. On that maximum figure a widow with 4 or 5 children cannot receive more than \$150 per month, a very small pittance when we consider the ever-rising cost of living today.

It would be expected that the deceased worker would have made, during his married life, some commitments, perhaps a mortgage on the house he was living in. How on earth could the widow continue payments on a measly pittance of \$75 per month, with \$25 per month for each dependent child or a maximum of \$150 per month?

One other section which I think should be reviewed is section 37—subsection (2) which states:

Where in the opinion of the board the furnishing of further or better education to a child appears advisable, the board in its discretion may, on application, extend the period to which compensation shall be paid in respect of the child in the furthering or bettering of its education, but in no case beyond the age of 18 unless the child in respect of compensation being paid is attending school and reaches the age of 18 years during the school year, in which compensation may be continued until the conclusion of the school year.

I want to make this plea to the hon. Minister: Why not amend that section so that compensation can be paid to any bright boy or girl, dependants of a deceased worker, if they wish to continue on through university? I suggest these young people would be under a great handicap with the loss of their father. Surely if they are bright enough and have the ability, we should not deprive them of opportunities which may have been provided if the father had been alive.

I also want to bring to the attention of the hon. Minister the injured worker on temporary partial disability.

Section (41) reads this way:

Where temporary partial disability results from the industry, the compensation shall be a weekly payment of 75 per cent of the difference between the average weekly earning of the worker before the accident and the average amount that he is earning or is able to earn in some suitable employment or business after the accident, and is payable so long as the disability and subsection 3 of section 42 applies.

Mr. Speaker, I am sure some complications could arise from this section and sometimes great hardship for the injured worker. I know of one case in my riding where a man now on partial temporary disability presented himself for light work to his former employer, but the employer now says he has no job for him. This man is certainly handicapped until his disability is cleared up. Yet his amount of compensation has been greatly reduced.

How on earth can a worker partially disabled, even if only temporarily, get employment with another employer when we have on the labour market today over 500,000 men and women clamouring for work?

I think it is about time that we adopted a more realistic attitude and more responsibility for workers on workmen's compensation until they can find employment.

Mr. Speaker, I would like also to refer to the accident prevention committee. I have discussed this question in the Legislature on previous occasions. In fact, some 4 or 5 years ago, the hon. Minister of Labour (Mr. Daley) was most sympathetic to my request for worker representation on the accident prevention committee. At one time he opposed the suggestion because of shortage of space in this building. Now The Department of Labour has moved to larger premises and he is still opposed to workers' representation.

Why, Mr. Speaker, I believe great benefit would result from the appointment of some of the workers in industry to these committees. The employers are represented and I have no wish to deprecate their work on these committees. But I suggest to you their interest is primarily a question of dollars and cents. But the interest of the worker is one of greater importance, for it is a question of the loss of an eye, an arm, or leg and even of life itself.

Frankly, it is most difficult to understand the attitude of the hon. Minister. I have found him most reasonable on occasion, but I cannot understand his opposition to the appointment of workers' representation on the accident prevention committee.

I would like to refer to relief payments to those persons unfortunately unemployed. The new schedule of relief payments, as published in recent regulations, are so inadequate that private welfare agencies and relief officers are in an uproar about the whole thing.

A quick look at the various allowances—a maximum of \$34 a month for 6 rooms—points up the unrealistic approach taken by the

government of this great province. As more and more men and women join the ranks of the unemployed, and eventually exhaust their unemployment insurance benefits, the number of people on general welfare assistance will grow. They will then find themselves on relief payments which do not provide enough money to house and feed their families—let alone clothe them.

I was very much interested, Mr. Speaker, in the speech of the hon. member for Grey North (Mr. Phillips) last night. I thought that it was one of his better speeches delivered in this assembly. During the course of his remarks he stated this: "Everyone is entitled to a degree of existence with some luxury." With that, Mr. Speaker, I agree wholeheartedly. Therefore, I hope that the hon. Minister will review the payment to those persons unemployed.

It is no wonder that the crime rate in our cities has increased in direct ratio with the increase in the number of unemployed. No man can stand idly by and watch his family starve. And there are actual cases of malnutrition today, cases of people who eke out the last week of their month's allowance on porridge—without milk, I should add, because there just is not enough money for that.

In our so-called affluent society can we stand by and watch our people starve? I say no, Mr. Speaker. It is our responsibility as legislators, and above all, it is the responsibility of this government, to increase relief payments immediately in accordance with budgets prepared by the social agencies.

And it is this government as a whole, rather than the welfare department, which is to blame for the present inadequate relief payments. I have been told that the welfare department appeared twice before the Treasury board to try to have the present schedule raised. But twice they were turned down.

Now, Mr. Speaker, the Treasury board is made up of certain hon. Cabinet Ministers whose annual salary, I believe, is \$21,000.

Hon. A. K. Roberts (Attorney-General): Does the hon. member not think he should name the source of his information when he makes a statement like that?

Mr. Thomas: No, I do not. I suggest that these hon. Ministers try to support a family of 3 on \$1,438.80 a year. They may then realize just how unrealistic present relief payments are.

The new regulations state that the province will contribute 80 per cent to monthly

maximum allowances ranging from \$120 for "head of family and one dependant" to \$180 for "head of family and 6 or more dependants."

Mr. Speaker, hon. members may well say that \$120 a month for two people, though not a fortune, may just be sufficient to live on. But this is where the situation becomes "curiouser and curiouser!"

I have taken the various budget items as set out in the regulations and have applied them to two people. But try as I may, I cannot get anywhere near the \$120 maximum. In fact, the amounts fluctuate from a minimum of \$73.75 to a maximum of \$91—still \$29 short of the \$120 maximum.

Now the regulations do include an unstated allowance for vegetable seeds if the person in receipt of assistance has a plot of ground. But it is scarcely conceivable that the government would allow \$29 to \$46 for vegetable seeds when the maximum shelter allowance is only \$34 for a 6-room house.

Just to be on the safe side, I checked with several social workers and was told that it is impossible to reach the maximum in any of the first 4 categories—though it is possible to come fairly close if every member of the family has the misfortune to be a diabetic and has to be on a high fat diet. This situation is sufficiently uncommon that no one has ever heard of it.

Mr. Speaker, it seems nonsensical to me for the government to include maximum allowances in their regulations which, at least in the lower categories, cannot be reached. And the maximum allowances in the higher categories should be reviewed since social workers claim that they are not enough to meet the needs of large families. I therefore ask this government, Mr. Speaker, to increase immediately the present inadequate relief payments and to review the whole schedule of maximum allowances.

This government talks about measures to combat unemployment. Surely, one of the quickest ways to stimulate the economy is to increase welfare allowances now. Any additional money paid out will be spent immediately on the necessities of life. This increased purchasing power would automatically create more employment in those industries which supply these necessities.

If we believe that we are our brothers' keepers, we must act accordingly. We in this House cannot sit idly by and see some of our people living in such distressed circumstances. I appeal to the hon. Minister of Public Welfare (Mr. Cecile), Mr. Speaker, to review the whole scale, the whole schedule

of relief payments and try to increase payments to these people in our country today who are in this predicament of being unable to find employment.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, once again may I remark that it is with a profound feeling of humility that I take part in this debate on the speech from the Throne.

May I add to those of the hon. members of this House who preceded me my expression of sympathy to the families of those two members of this House who are not with us at this time.

At the same time may I add my congratulations to all who should be congratulated, and especially to the two new hon. members (Mr. Evans and Mr. Hoffman) who through our democratic process have been elected to carry on the work of their predecessors.

Mr. Speaker, last year I took the House on a "Cook's tour" and a geographic lesson of my area. Now that every hon. member is familiar with the front door to Ontario, the garden gateway to Canada, I shall continue on another topic.

Municipal elections have been held in a large number of Ontario centres. Once again in some areas the turnout of voters was as low as 25 per cent. This is a real shame. One year ago I informed the House of a suggestion of tax credits being awarded to those who voted. I was accused of "payola" to the voters. But after seeing the apathy shown by some citizens when it comes to the exercise of their franchise, I must suggest that the government study ways and means of bringing out electors to the polls or the day will come when a strong minority group will be running the affairs of this province.

Mr. Speaker, I deem it my duty to bring to the attention of this House a very heroic act performed by a constituent of mine. Mr. James Gammon, of 1080 Lincoln Road, on January 11, 1961 leaped into the icy Detroit river to save a woman from drowning.

Mr. Gammon, a yardman for the Canadian National Railways, was working with his crew near the riverfront when he heard the cries of a woman. He jumped into the river and pulled her to shore where other members of the crew helped him get her on land. Mr. Gammon then ran to Riverside Drive to call an ambulance. The woman was taken to the hospital and is in satisfactory condition.

Surely such bravery as this merits some kind of provincial government recognition.

Mr. Speaker, it is only yesterday that this government tried to whitewash itself when it came to the safety of many of our school-attending youth. Listen to this, an editorial in the Windsor *Daily Star*, January 4, 1960:

PUBLISH REPORT

It is not hard to determine the reason for the Ontario government's action denying the public the right to know which of Essex county's 42 rural schools are fire traps. It could be deeply embarrassing.

The Ontario fire marshal's office has made two inspections of the schools after a series of articles in the Windsor *Star* pointed out a serious threat existed. Since then, only 9 of the 42 schools have carried out all the recommendations.

This means that children in 33 county schools are faced with an unnecessary risk of a fiery death. The risk is even greater at this time of the year.

Should not the report on these schools which have been classified as fire hazards be made public?

It should, and promptly.

The report has been branded as "political dynamite." It could become more than that if one child loses his life because no action has been taken on the fire marshal's recommendations.

The ratepayers have every right to know if their schools do not comply with fire regulations. The lives of their children are of more concern than the money needed to comply with recommendations.

Should there be a disastrous fire, it will be too late for action of any kind. There should be no secrecy in such an important matter.

That ends the editorial.

Now in one of the headlines in the Windsor *Star* on Thursday, December 15, was an article headed "Carpenters Blast Firetrap Stand." The subheading reads: "Say Ontario Playing 'Politics.' Union Council Demands Release of Hazard Facts." The article states:

The Ontario council of the united brotherhood of carpenters today charged that the Ontario government was playing politics with fire safety in Essex county schools.

I could continue reading the article, but for the sake of time I shall refrain from doing so.

On Thursday, December 15, a headline read: "Roberts 'Limits' Firetrap Report."

The subheading reads: "Says Some Correcting Hazards." "Minister Refuses to Divulge Areas or Name Schools." The article reads:

Some progress has been reported in cleaning up "firetrap" conditions in Essex county schools—but officials of two Ontario government departments have refused to name schools and boards where the troubles exist.

The safety of our children demands the tabling of this report.

The following brief, which I will read, showed the interest recreation directors throughout the province have concerning those for whom they may be responsible.

This report is an investigation into the safety of covered rinks and arenas in the Ontario region.

It was presented to the northern Ontario recreation association conference, Cochrane, October 15, 1960. The conclusions reached were:

1. The study has found that a very significant number of arenas and covered rinks in the Ontario area have collapsed or indicated overstressing in recent years. This indicates that a very unsatisfactory situation exists with reference to design, construction and maintenance of these buildings.

2. Of the rinks reporting there is a wide variance in the standards of construction, design, maintenance and inspection.

3. The most frequent contributing cause of failure by those reporting is snow load with subsequent failure of the structure attributable to weakness in truss construction and design.

4. The lack of information on the large number of covered rinks and arenas known to exist in Ontario as this relates to design, construction, maintenance and other safety considerations implies a need for documentation of this information at the provincial level.

5. Covered rinks and arenas are an integral part of the Canadian way of life, providing enjoyment for a significant segment of the population in programmes of a local and intertown nature. In view of the broad scope of these programmes and the many cities and towns affected, there is reason to believe that there is a provincial responsibility for standards and measures of public safety.

6. Grants to assist in the building of rinks and arenas emphasize the provision of space without adequate measures of provision for safety.

7. The philosophy of provincial government in disclaiming responsibility for arenas and covered rinks by assigning this to municipalities is inconsistent with its policy as to design and operation of other buildings of public assembly, i.e., theatres, schools.

8. Collapse or failure has greater frequency in those rinks reporting no regular inspection by qualified personnel, indicating that structural weaknesses not easily discernible to the layman, but detectable to qualified engineers, may presently lurk in some Ontario rinks and arenas, rendering them possible death traps.

The recommendations of this association are as follows:

1. That a department of the provincial government be made responsible for:

- (a) the annual inspection and licensing of arenas with power to close those structures not meeting standards, and that said licensing be contingent upon meeting established building and maintenance standards to be defined by a committee of persons competent to advise in these matters;

- (b) future capital grants in support of arenas and covered rinks and that such grants be made after it has been determined that the design and subsequent construction meet the standards of a suitable building code.

2. That consideration be given to the allocation of future capital grants to aid in the construction of arenas to specific essentials of the structure, i.e., trusses and foundations, and to these only would the grant be applicable.

3. That adequate records be maintained of all arenas in the province of Ontario with significant design changes and repairs documented as these occur.

4. That the northern Ontario recreation association consider the advisability of recommending to those communities comprising its membership undertaking a programme of annual arena inspection by competent engineers. That the current programme of intertown activities be encouraged only in those structures where such an inspection has been made.

5. A complete survey of the arena and covered rink situation in Ontario is essential, particularly in light of the difficulties encountered in this investigation, and it is recommended that a provincial body undertake this as it is in the best position to provide the necessary resources.

The hon. member for York Centre (Mr. Singer) expressed to me his deep concern with this topic.

Mr. Speaker, the Canadian Bridge Company, steel fabricators to the nation, located in my riding, has for several years been confronted with the unusual position that, in spite of it being the lowest Canadian bidder on numerous steel fabrications—in this specific case, transmission towers—has found that contracts for work that could have been done in Windsor—work that could have alleviated some of the unemployment distress—have been awarded to Italy. The men put out of employment as a result of this will draw unemployment insurance benefits.

However, add up all the monies to be paid out in benefits, and you will find, sir, that this more than likely approximates the difference in the bids submitted. Surely such consideration should be given before work is awarded outside of our own country.

I certainly hope that Ontario Hydro was not guilty of similar practices as, in this specific case, it was the province of Saskatchewan—the New Party's model provincial society—that did award this contract to Italy instead of to Ontario.

Hon. R. Macaulay (Minister of Energy Resources): May I ask the hon. member a question? It is just to particularize that. The hon. member is not suggesting that the Ontario Hydro is, in any way, associated with this awarding of contracts out of the country, is he, in this connection?

Mr. Newman: No, I only would like to repeat my original remarks. I certainly hope that Ontario Hydro was not guilty of similar practices.

Hon. Mr. Macaulay: The opening remark of the hon. member on the subject was something about Hydro and towers, and my inference was right down to the end. I was not able to tell whether—

Mr. Newman: Would the hon. Minister like me to read the whole thing again?

Hon. Mr. Macaulay: No, I will be able to read it in *Hansard*. I thank the hon. member. He has satisfied me.

Mr. Newman: Mr. Speaker, after listening to the numerous hon. members of the Legislature from the government benches flattering this government in all that has been done, how well their ridings have been taken care of, possibly it is high time this government looked over at the other side of the fence.

We, from the Windsor area, would not be asking—yes, begging—the government to look more seriously at our requests, if they were not worthwhile, were not needed—yes, and even not promised.

Prior to June 11, 1959, everything that was needed for our area was in the final stages of planning, ready for tendering and construction. Now, two years later, we find a different story.

In fact, it is not difficult to realize the government's attitude toward areas that are not represented by those whose political philosophies do not agree with their own.

On page 1665 in *Hansard*, the hon. Prime Minister (Mr. Frost) states: "Did they not vote against us? They voted against us down there. About this reception centre that they were going to get."

Now, the hon. Prime Minister on page 1778, in reply to my question: "Is it to be government policy to penalize areas represented by members of the Opposition?" gave us assurances and I quote: "But I can assure the hon. member that anything we can do to help Windsor we are going to do."

Mr. Speaker, we anxiously await this help.

Here are ways in which this government can help Windsor or the Windsor area. Get on with the following projects:

(1) The teachers' college; (2) provincial public building; (3) highway No. 401; (4) mental hospital; (5) tourists' bureau.

I know it will be said that these requests are too many. Mr. Speaker, if the government had started on some of these projects years ago, when they were first promised, Windsor's requests would have been very inconsequential today.

On Thursday, December 2, the hon. Minister of Public Works (Mr. Connell) remarked on page 204 of *Hansard*:

We begin to find, in looking over the Windsor situation, and I think Michael Patrick, the mayor, will agree, that Windsor is possibly being looked after better than almost any part of the province.

Surely, Mr. Speaker, if we, in Windsor, were being looked after almost better than any part of the province, we would not have approximately 12,000 unemployed. The various projects that we, the elected members, have kept reminding the government of would now be in the process of construction.

The hon. Minister of Municipal Affairs (Mr. Warrender)—or should I say the hon. Minister of Winter Works—for approxi-

mately one hour extolled the virtues of his government and its magnanimous efforts throughout the province in its gigantic winter works programme. Yes, they have an enlarged programme this year; yes, it has been of some value in relieving unemployment; yes, we, in Windsor, do appreciate it. But I must remind this House that this action still does not solve the unemployment problem.

The winter works programme has supplied only two per cent of the unemployed in my area with gainful employment or 1.5 days of winter works aid per unemployed person.

Winter works in Windsor will provide employment to 233 men. If the total of unemployed is 12,000, there still remains 11,767 who seek work, not unemployment insurance or welfare. These are not accurate figures; it is a little over the figure that I am reporting.

Hon. G. C. Wardrope (Minister of Reform Institutions): These are people out of work; never mind the statistics.

Mr. Newman: These are people who are seeking employment, who want jobs. To provide employment for 233 men, the city of Windsor has to budget for over \$2 million worth of improvements.

The winter works programme has supplied only two per cent of the unemployed in my area with gainful employment, or 1.5 days of winter works aid per unemployed person. Were I to present the accurate figures, it would be more embarrassing to the hon. Minister—most embarrassing, not more—I would use the superlative rather than the comparative degree for him.

Mr. Speaker, I would like to refer to highway No. 401. The hon. Minister of Highways (Mr. Cass) continually remarks to questions submitted to him re this highway, that Windsor should not complain, it has 6 highways, 6 first-class roads entering it.

In the August 17, 1960, issue of the Ontario Department of Highways *Road Bulletin*, I quote, under the caption of:

ECONOMIC ACTIVITIES GENERATE ONTARIO'S HIGHWAY NEEDS

Traffic patterns and needs on Ontario highways, roads and streets are shaped by increasing industrial and agricultural output; development of natural resources; growth of suburban residential areas and shopping centres.

Surely Windsor, which ranks fifth in Canada in industrial output, has the right to be serviced by a modern 4-lane highway for more than 30 miles.

Why, the hon. Prime Minister himself stated in a recent provincial affairs television address, and I quote from page 2 of *The Ontario Travel News* of November, 1960: Highway No. 401—a trans-Ontario highway—is being pushed forward to completion.

If 17 years to complete this highway is pushing things, I would hate to think of the century that may be involved if this government is only going to complete a project and not push it forward. I hope there will be much more than pushing with other proposed government endeavours.

Allow me, Mr. Speaker, to read an editorial from *The Windsor Daily Star* of July 26, 1960:

HOW TO DETER TOURISTS AGAINST RETURN VISITS

Those travelling highways Nos. 2 and 3 over the weekend endured an example of how Ontario restricts its profitable tourist industry. This is a main artery quite incapable of comfortable carriage of the traffic imposed on them.

Highway No. 3 on Sunday afternoon provided a harrowing experience. It took one motorist one and three-quarter hours to travel from Windsor to Leamington. The traffic congestion was simply hopeless.

And may I say from Windsor to Leamington is roughly 33 miles—one and three-quarter hours for 33 miles only because the area lacks two-lane highways. You could walk it; I imagine the hon. Minister would be able to walk it and still do 10 push-ups after. I continue:

Short-distance travellers, as from the border to Point Pelee national park, were mixed up with through traffic. If the situation was annoying to those going a short distance, it must have been entirely frustrating to those going farther.

This is an excellent method of destroying the tourist industry. A tourist who has endured such a traffic mess is not likely to risk a repetition of it by a return visit. He more probably will go where he can travel with reasonable speed.

Hon. Mr. Wardrope: They should come up north.

Mr. Newman: They cannot get up north; highway No. 401 is not finished yet. That is what we are complaining about. I would like to see that man get to the hon. Minister's region. Remember, we are the gateway to Canada.

Hon. Mr. Wardrope: One thing I will say: you are a booster for Windsor, boy.

Mr. Newman: I continue with the editorial:

The fault lies directly with The Department of Highways and its persistent ignoring of the urgent need for completion of highway No. 401 through western Ontario. Many tourists take highway No. 3 because highway No. 2 is just as bad.

Most tourists naturally would take highway No. 401 were it completed. This applies even to those who now use highway No. 3 as the shorter route to the Niagara border. They would be happy to take a modern highway, even if it meant a few extra miles.

One has but to drive through central and eastern Ontario to see where most money has been spent in the postwar period on modern highways. It has been in the environs of Toronto. Certainly these are needed there but they should not be at the expense of western Ontario—and of the tourist industry. Most traffic in the Toronto area is of the local variety.

It is now possible to drive from Milton through to Port Hope, more than 100 miles, on highway No. 401. There are other long stretches of it in eastern Ontario. Western Ontario only has the 30 miles from Windsor to Tilbury and a somewhat longer bit easterly from London.

Hon. M. B. Dymond (Minister of Health): Highway No. 401 goes straight forward to Kitchener.

Mr. Newman: I would like the hon. Minister of Health simply to drive our way and familiarize himself with our area. He will find that if the government were interested in civil defence, they would have completed highway No. 401 years ago. They will bottleneck everyone out of our area into a two-lane highway 30 miles out of the city and then what will they do?

Hon. J. Root (Minister without Portfolio): Would the hon. member permit a question?

Mr. Newman: Absolutely; I will allow questions at any time.

Hon. Mr. Root: Mr. Speaker, my question is this:

I wonder if the hon. member is aware that when the toll roads and highway finance committee visited Windsor there was no one from the city of Windsor to even receive us to indicate that there was any need of highways?

Mr. Newman: More than likely the committee members were too afraid to notify people in our area that they were coming down there.

Hon. Mr. Root: Mr. Speaker, it was advertised in all of the papers that we were making this tour.

Mr. Newman: They could not find their way into our area. There is no highway there.

Hon. Mr. Root: There was no one but the reporter from the *Windsor Star*. He had to go out and telephone the mayor to come to an interview.

Mr. Newman: We would like the same consideration in our area as has been given to other areas of the province, including the area around the riding of the hon. Minister of Reform Institutions.

Hon. Mr. Wardrope: There are great roads up there now. The hon. member will not be able to complain about them after the next election.

Mr. Newman: I agree with the hon. Minister. We will not complain at all because we will certainly take care of it. We will be sitting there and they will be sitting here. It is funny when the master marionetter is not here how the marionettes cannot come across with a proper question.

Hon. Mr. Root: I would sooner be a marionette in this government than over there and be a leader.

Mr. Newman: Are we all set, gentlemen? I continue reading:

The department has suggested traffic on the Windsor-Tilbury piece is not up to expectations. The reason is evident—it ends at Tilbury. But over the weekend we noted more traffic on it than on the Brampton-Milton link and more than—on a previous weekend—on the stretch east of Brighton. The department's excuse is not convincing.

Most tourist traffic, by its very nature, is over the weekends—especially near the border areas. This is the time when local traffic in and out of Ontario cities also is at its peak. The combination cannot be handled comfortably or safely on narrow, winding highways which never were built to carry such loads.

Ontario cannot expect tourists to return to Ontario to fight their way once again

through dense traffic. There is no reason why they should subject themselves to such an ordeal. Ontario, by its neglect in western Ontario, is killing the goose it expects to lay an annual golden egg.

This ends the editorial from the Windsor *Daily Star*.

Mr. R. J. Boyer (Muskoka): May I ask what the date of that editorial was?

Mr. Newman: Yes, absolutely. July 26, 1960.

Interjections by several hon. members.

Mr. Newman: Mr. Speaker, continuing in the same vein, I will quote something of the most recent date possible, January 25, 1961, for the information of the hon. member for Muskoka: This concerns dual highways, and it is taken from a column in the Windsor *Daily Star* by Mr. Lum Clarke:

The dual highway system is extending rapidly across the United States. A driver of considerable cross-country experience, Mort Robertson, says that half the 2,500 miles from Windsor to California are on dual routes. From here to Oklahoma City there are only some 70 miles that are not dual highway.

Mr. Robertson says right now work is being pushed on widening the roads, and making dual routes, even in sparsely settled areas.

When American tourists come to Canada they look for similar good roads. They expect a dual highway from Windsor to Toronto and Montreal and to Niagara Falls.

Some day Ontario will have route No. 401 completed. Let us hope they will still be driving cars by that time.

We talk of tourist promotion out of one corner of our mouths and then we do not build the roads to allow these tourists to get to our resort areas.

Interjections by hon. members.

Mr. Newman: Mr. Speaker, several days ago I asked the hon. Minister of Education (Mr. Robarts) as to the date boards of education across the province can expect to be informed of the grants they are to receive this year. Since 1947, the cost of education to the municipal taxpayer has increased over 500 per cent, and at a much faster rate than has the provincial grant or contribution to it.

We hear figures all the time of how magnanimous this province happens to be. Yet

the cost to the municipal taxpayers surpasses by far that of the amount of the grant contributed by the government to that same municipality.

It is becoming more and more difficult year by year for the municipality to assume this greater share of the educational burden, which in 1947 was 25 per cent of the total municipal tax levy and in 1959 rose to almost 32 per cent.

As more and more municipalities are now in the process of discussing their budgets and striking their tax rates, it is important they should have been informed as they were promised by the government last year. The result of any delay means municipalities must now delay striking their tax rate and must borrow funds for an added period of time to conduct their normal operations. This delay just adds another financial burden to the already heavily burdened municipalities.

On this subject of educational grants, I shall read from a brief which the Ontario school trustees council submitted to the hon. Prime Minister for discussion in September, 1960:

We strongly urge that action be taken at the 1960 session of the Ontario Legislature to implement the following recommendations:

We recommend that adjustments be made [in educational grants] to the costs approved for secondary schools, for which approval to build was received in the period 1953-1958, to allow for the recognition of the following factors, introduced effective January 1, 1959:

1. The new ceiling for construction costs of secondary schools of \$25,000 per classroom, and,

2. The acceptance of construction costs of cafeterias, gymnasias, home economics rooms and industrial arts shops as approved costs.

We further recommend that the legislative grant on debenture payments, resulting from the construction of these schools which are required to be made in 1960 and subsequent years, be calculated on the basis of the recommended adjusted approved cost.

Prior to 1954, the approved cost ceiling for secondary schools was \$30,000 per classroom, and the special facilities referred to in the recommendation were accepted as approved costs. During the period 1954 to 1958 inclusive, the ceiling was reduced to \$20,000 and the special facilities were not accepted as approved costs. Effective

January 1, 1959, the ceiling was raised to \$25,000 and the special facilities once more were recognized.

It is, in our opinion, discriminatory that secondary school boards which built schools before 1954 or after 1958 should receive grants on a higher basis than those boards which built during the years 1954-1958.

Consequently, we believe that the approved costs of schools built during the period 1954-1958 should be adjusted in accordance with current regulations, and that the grants on debenture payments made subsequent to January 1, 1960, should be paid on the basis of the adjusted approved cost.

Now here is a letter sent to hon. members of Parliament throughout the province of Ontario:

This board believes the recommendations contained in this brief to be of inestimable value to education of the young people in this province, and feels sure you will give it your usual keen attention.

We might illustrate the effect of this recommendation as follows: A 31-classroom school constructed in 1958 cost \$1.4 million. Of these 31 rooms, 27 were recognized for grant purposes at a ceiling of \$20,000 per room. Total approved cost for grant purposes: \$540,000. On an annual debenture payment of \$120,000—principal and interest—over 20 years, the annual grant is \$35,000. The province assumes 29 per cent of the cost.

Under the 1960 regulations, the same 27 rooms are recognized for grant purposes at \$25,000 per room, plus recognition of site cost, two home economics rooms, two shops, two gymnasias and one cafeteria. Total approved cost—not including site—\$850,000. On the same debenture payment the annual grant is approximately \$55,000 or 44 per cent of the cost.

Over 17 years—the remaining years of the debenture issue—this difference of \$20,000 per annum amounts to approximately \$350,000 to the ratepayers, by comparison with a neighbouring municipality which received approval to build after January 1, 1959.

Mr. Speaker, as the situation is today—and I stand to be corrected if I am wrong—anyone who owns a station wagon can convert it into an ambulance. I also understand there are no qualifications required of the operators of these ambulances. Surely the time has come where rules and regulations governing

ambulances be set up and that certified operators only be permitted to be in charge of the vehicles.

This certification will entail the setting up of basic courses for ambulance operators. These people are dealing with human lives, and any error on their part may be of the most serious consequence. The province today licences auto mechanics, electricians, and so forth, but not ambulance operators. I hope the latter will be given more consideration.

Mr. Speaker, on March 9, 1960, a delegation from the city of Windsor appeared before the hon. Minister of Health to press for the establishment in Windsor of a provincial mental hospital. On January 16, 1961, the city council reaffirmed its support for this institution. A newly formed mental health council in Windsor made a similar request recently. The Windsor chamber of commerce, through its committee on municipal and provincial affairs, supported this drive.

Now, Dr. John Howie, the medical officer of the metropolitan Windsor board of health, in an address before the medical officers' section of the Ontario public health association at the annual meeting in Toronto on October 5, 1960, remarked as follows:

Statistics indicate that during his lifetime or her lifetime one out of every 14 persons in Ontario will be treated in a hospital for mental illness, and there is a real need for more hospital beds at the community level.

Hon. L. M. Frost (Prime Minister): May I ask my hon. friend if he would adjourn the debate and then he could proceed on Monday? Would that be satisfactory?

Mr. Newman: Mr. Speaker, I would like to finish the one sentence of the quotation:

Treatment facilities at the local level allow for all the resources of the patient's family in the community in the rehabilitation of the mentally ill.

Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, there are 4 bills standing in the name of the hon. Attorney-General (Mr. Roberts), Bills Nos. 30, 31, 32 and 33, which I think should receive the intensive consideration of the legal bills committee.

I would make a suggestion, sir, that these 4 items receive second reading with the

understanding that they go to the legal bills committee for consideration. When they return here, we can have a freer discussion in committee of the whole involving matters of principle.

As a matter of fact, I do not think the principles of these bills as a whole are really so fundamental as the principle of various sections of the bills.

Therefore, I would suggest that we advance these 4 bills and allow them to go at the beginning of the week to the legal bills committee.

THE BILLS OF SALE AND CHATTEL MORTGAGES ACT

Hon. A. K. Roberts moves second reading of Bill No. 30, "An Act to amend The Bills of Sale and Chattel Mortgages Act."

Motion agreed to; second reading of the bill.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves second reading of Bill No. 31, "An Act to amend The County Judges Act."

Motion agreed to; second reading of the bill.

THE EVIDENCE ACT

Hon. Mr. Roberts moves second reading of Bill No. 32, "An Act to amend The Evidence Act."

Motion agreed to; second reading of the bill.

THE CORONERS ACT

Hon. Mr. Roberts moves second reading of Bill No. 33, "An Act to amend The Coroners Act."

Motion agreed to; second reading of the bill.

Hon. Mr. Frost: Mr. Speaker, in relation to item No. 21, house in committee on Bill No. 10, An Act to amend The Mortgages Act, standing in the name of hon. A. K. Roberts, it is apparently desirable that this bill be referred back again to the committee on legal bills. Therefore I would move that this order be discharged and that Bill No. 10 be referred to the committee on legal bills.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, may I say that on Monday we will proceed with the Throne debate. It may be that some of these bills on the order paper can be dealt with, in which case we will proceed with them.

Now on Monday and Tuesday I think I will be in the position to table the estimates of some 6 or 7 departments.

In saying that, I have no intention of calling estimates on either Monday or Tuesday, but will table them so that the hon. members may have the opportunity of seeing them and considering them. Then I will make proposals for the consideration of those times that are convenient for the House.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 of the clock, p.m.

ERRATA

(January 26, 1961)

Page	Column	Line	Correction
713	1	26	Change to read: War II and in it.
714	1	55	Change to read: young people who are not academically inclined
715	1	4	Change to read: consensus was that it should be



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, January 30, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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1961



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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, JANUARY 30, 1961

3 O'CLOCK P.M.

THE FAIR ACCOMMODATION PRACTICES ACT

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as guests, students from St. David's separate school, Toronto, in the east gallery.

Presenting petitions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I have here a message from the Honourable the Lieutenant-Governor (Mr. Mackay), signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of certain sums required for The Department of the Provincial Secretary and Citizenship, The Department of Public Welfare, and The Department of Transport for the year ending March 21, 1962, and recommends them to the legislative assembly, Toronto, January 30, 1961.

Presenting reports by committees.

Motions.

Introduction of bills.

THE ALCOHOLISM RESEARCH FOUNDATION ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Alcoholism Research Foundation Act."

Motion agreed to; first reading of the bill.

ADMISSION TO MEETINGS OF BODIES EXERCISING PUBLIC FUNCTIONS

Mr. V. M. Singer moves first reading of bill intituled, "An Act to provide for the admission of the public and representatives of the press to meetings of bodies exercising public functions."

Motion agreed to; first reading of the bill.

Mr. A. E. Thompson moves first reading of bill intituled, "An Act to amend The Fair Accommodation Practices Act."

Motion agreed to; first reading of the bill.

Hon. Mr. Frost: Before the orders of the day, Mr. Speaker, may I state that I obtained, last Friday, a statement relative to a point raised by the hon. member for Woodbine (Mr. Bryden) last Thursday. As you will recollect, sir, I had this statement last Friday but I deferred it until today.

This is a matter of which I never heard before. It arose apparently due to the fact that last April, when Royal assent was being given to certain measures, there was included by error a public bill which had been introduced by the hon. member for Woodbine and which had not gone beyond first reading. I believe that is the situation.

I asked the clerk of the House for a report on this and he gave it to me under date of January 27. He says:

Memorandum for the Prime Minister re Bill No. 148 of 1960, "An Act to amend The Crown Agencies Act, 1959."

This bill, which was introduced by Mr. Bryden (Woodbine) on March 28, 1960, never, of course, went beyond first reading.

By a typing error it was included in the list for Royal assent on April 12, 1960, and due to the rush of work in preparing for prorogation this error was not caught until after it appeared in the votes and proceedings of that date. However, the Honourable the Lieutenant-Governor did not in fact assent to the bill, as he did not sign it.

It is incorrect to say that the bill was deleted from the journals of the House. The error was corrected when the journals of the House were being compiled and prepared for printing, so that it never in fact appeared in the journal.

Mechanical errors in the day-to-day minutes of every legislative body are made from time to time during the session, but

are always corrected in the permanent records of the House.

Concerning *Hansard*, the suggestion has been made that this bill was eliminated from the list which received Royal assent between the original printing of the *Hansard* and the production of the bound volume. This is incorrect.

The *Hansard* editor was informed of this error prior to the printing of *Hansard* for that date. Despite this, the error was carried in the printing of the first copies run off the press, but it was corrected in the course of this first and only printing. Some of these copies were later sent to be bound, but the correction was by no means confined to the bound copies.

Apparently there was an error on the part of the clerk's office in including this bill which had not gone beyond first reading. If His Honour in error had signed the bill, I imagine that still the error would be there and that it would not be law.

Although the point has never arisen before, I do not see how the Honourable the Lieutenant-Governor would give assent to a bill which had never gone through the formalities required by this House. That is a constitutional point which I shall have to leave to others to determine.

However, I think the situation is this, that the record has been corrected insofar as this bill is concerned. Whether the procedure taken in the matter was correct or not, I would be inclined to leave to the House. Perhaps the proper thing to do would be to present a motion to the House that the correct list of bills which received Royal assent on April 12, 1960, as printed on pages 243 to 251 inclusive in the journals of the legislative assembly of the first session of the twenty-sixth Parliament of Ontario is hereby confirmed. That might be the proper way of dealing with this matter.

As I say, it was a typographical error which was corrected by the method outlined to the House.

I had no knowledge of this and it had never come before the government in any way for consideration, but was simply a routine matter which was dealt with by the clerk of the House.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the fourteenth report of the liquor licence board of Ontario for the 12-month fiscal period ending March 31, 1960.

Mr. V. M. Singer (York Centre): Mr. Speaker, before the orders of the day, I would like to address a question to the hon. Prime Minister of which notice has been given.

In view of the fact that the government was so anxious to have passed amendments to The Liquor Control Act before the adjournment of this House last December, so that no alcoholic to whom the amendments apply would have to spend the holiday period in jail, could the hon. Prime Minister tell us the date on which the amendment was proclaimed and the number of alcoholics to date who have been saved the necessity of going to jail?

Hon. Mr. Frost: Mr. Speaker, I might say to the hon. member that this is a matter for the hon. Attorney-General (Mr. Roberts). He is in Ottawa today and will be there tomorrow, in part dealing with some of these matters.

Except for the extreme urgency with which the hon. member treats this subject, I would have had the matter remain over until the hon. Attorney-General was in his seat next Wednesday; but I have hastened to obtain certain information for the hon. member.

First of all, sir, the Act received Royal assent on December 16 last. We moved to immediate action on the matter. As the House will understand, it was required to arrange for the necessary institutions of the hospital type to take care of this problem. As the first step in implementing the desire of this House, manifest by the passing of this legislation, was that the government immediately made use of its powers to grant executive clemency during the holiday period in order to implement the intention of the Legislature that persons convicted of drunkenness should not simply be jailed as punishment but be given the opportunity of rehabilitating themselves. I do not have the particulars of that at the present time.

With this Act the necessity arose of getting the necessary institutions. We regard this as a very important matter. An order-in-council was passed on January 19 proclaiming the amendment to the Act as coming into force on that date. The same day a further order-in-council was passed naming the Ontario reformatory of Mimico as the institution for the reclamation of alcoholics.

The Alexander Brown memorial clinic was designated for the purpose and is now the centre being used in the Mimico reformatory.

As a result of the administrative work carried out immediately after the legislation

was passed, the plan was started immediately. To date 9 persons have been committed by the Toronto magistrates' courts to this institution for treatment.

A further order-in-council has been passed naming the Salvation Army's new Harbour Light centre at Jarvis and Shuter streets as a further institution to handle such cases. The official announcement of the passage of this order-in-council has been delayed pending certain negotiations at present being conducted between The Department of the Attorney-General and the Salvation Army.

I think this a very good beginning, which would not have been possible at all had it not been for the passage of the Act last December.

However, we are not interested in that angle only.

Today a bill was introduced in the House which has the effect of widening the work of the alcoholism research foundation to dealing with drug addiction, which is an illness the same as alcoholism.

At present, as is known in this House, there are two institutions in Ontario dealing with drug addiction; one for men at the Mimico reformatory, the other for women at the Andrew Mercer reformatory.

At the present time there is under negotiation a deal with the Ottawa government in relation to a centre which will be used for both federal and provincial purposes in dealing with those convicted under the criminal code who are suffering from drug addiction. This is a matter which will greatly interest this House and I am sure the hon. Attorney-General will be able to give further information in connection with this very bad problem in a short period of time.

Mr. Singer: Mr. Speaker, if I may, I wish to address two supplementary questions: The hon. Prime Minister advised us that 9 people were admitted, I presume, to the Brown clinic. Does he have the dates of those admissions? Would they be substantially after Christmas, after January 19?

Hon. Mr. Frost: They would be after January 19, yes.

Mr. Singer: And how many beds are available in the Brown clinic and the Harbour Light?

Hon. Mr. Frost: I could not say. In the Harbour Light I think there are some 50 beds. I am not sure.

Mr. Singer: Around that, but our information was they were all full at the time—

Hon. Mr. Frost: Well now, I am not sure about the Harbour Light, but I would say that these are substantial advances.

This gives me the opportunity to say, further in answer to this question, that a great Toronto citizen, Dr. Morris Zeidman, has been recognized as the man of the year. A great part of his work and the work of the new Scott mission of which I had the privilege of laying the cornerstone, is devoted to people who have difficulties that way. I think arising out of all of this we are going to get a more humanitarian and sensible way of treating this very great problem, not only of alcoholism but drug addiction. Both are curable and in both cases those who are victims of those illnesses and diseases can be put on the right track and become very useful citizens once again.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to address a question to the hon. Minister of Municipal Affairs (Mr. Warrender), notice of which I have already given with regard to a report appearing in the *Toronto Daily Star* of Friday, January 27.

This report is to the effect that The Department of Municipal Affairs has approved an arrangement under which the chairman of the board of education of the town of Leaside is to be given two votes on that board to compensate for the fact that the town provided for the election of only 7 trustees in the recent municipal election instead of 8 as required by law.

1. Has such an arrangement in fact been made and approved?

2. If so, under what authority has it been made and approved?

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, the answer to part one of his question is "No." But I want to say, by way of further amplification to that answer, that the article referred to appeared in the *Toronto Daily Star* on January 27, last Friday. On January 26, last Thursday, the committee on private bills met and dealt with the private bill of Leaside which dealt with this very point.

I wonder why the hon. member for Woodbine asked me the question before the orders of the day, when I look through here and find such names on the committee on private bills as Bryden, Gisborn, MacDonald and Thomas.

Now, these hon. members were at the committee on private bills last Thursday when this whole matter was dealt with; I am surprised he brings the point up now.

However, to give him further information, may I say that at no time did this matter ever come before The Department of Municipal Affairs for consideration.

The whole matter was dealt with legally by the private bills committee. It was ruled by the private bills committee—and I think, as a matter of fact, the information is coming into the House today, if it has not already done so—that where this situation occurs, it may be dealt with as though the vacancy occurred after the election so that the township will not be put to the cost of any further election in that municipality. That is what we have done.

The information in the *Daily Star* is completely incorrect. Why the hon. member for Woodbine would seize on that, when he and 3 other of his hon. colleagues are on the private bills committee, is beyond me. The answer to his outcry is "No."

The hon. member was not on the job in the private bills committee.

Mr. Bryden: I was there but I wanted to discuss this statement. Surely the hon. Minister can make a statement without "blowing his top" every time.

Hon. Mr. Warrender: He was there and he does not know the answer, Mr. Speaker.

Mr. Bryden: I wanted to know what the hon. Minister's department was doing. It was dealt with in one way on Thursday, but on Friday it was a different story.

Hon. W. M. Nickle (Minister of Commerce and Development): Mr. Speaker, before the orders of the day, having regard to a statement which appears in the morning edition of the *Toronto Globe and Mail* in connection with an agreement pertaining to the Thames river flood control programme, I would like to make a statement which might interest the hon. members of the House.

Representatives of the federal and provincial governments, last Saturday, signed an agreement for federal participation in the construction of a \$9,640,500 flood control and water conservation plan for the upper Thames river conservation authority.

The federal hon. Minister of Northern Affairs and National Resources (Mr. Dinsdale), signed the agreement for the government of Canada. I signed for Ontario, last Wednesday, at Queen's Park. Because I could

not be present in London on Saturday, my hon. colleague, the Minister of Education for Ontario (Mr. Robarts), represented our government and countersigned the agreement.

The present plan calls for the construction of 5 reservoirs and channel improvements, as follows: (1) Mitchell channel improvement, \$292,500; (2) St. Mary's channel improvement, \$315,225; (3) Woodstock channel improvement, \$84,375; (4) Wildwood dam and reservoir, \$1,962,400; (5) Woodstock dam and reservoir, \$1,053,500; (6) Glengowan dam and reservoir, including a roadway over the dam, \$2,788,600; (7) Thamesford dam and reservoir, \$2,520,100; (8) Cedar Creek dam and reservoir, \$623,800.

The total cost of the proposed works is \$9,640,500.

These will be for the dual purpose of preventing floods and increasing summer flow in the Thames river. This control programme will be of value to industries in the area, assuring an ample flow of water in all seasons, with increased fish and wildlife, and make it possible to expand recreational development along this important river.

The scheme will be financed 37.5 per cent by Canada, 37.5 per cent by Ontario, and 25 per cent by the 21 municipalities which make up the membership of the authority.

The programme will be spread over a period of 10 years. This is the first scheme of this kind, participated in by a provincial government and the federal government of Canada, under The Canada Waters Conservation Assistance Act. Canada has contributed to other large dams in the province, including the Fanshawe on the Thames, but this was before the Act was passed.

The commencement of this programme will mean a great deal to the unemployment situation in western Ontario. It is estimated that, as soon as the work can be got under way, it will provide 1.7 million man-hours, for approximately 210,000 man-days, throughout the 10-year period of construction.

Mr. Speaker: Orders of the day.

THE FOREST FIRES PREVENTION ACT

Hon. J. W. Spooner moves second reading of Bill No. 26, "An Act to amend The Forest Fires Prevention Act."

He said: The purpose of this amendment is to create a penalty for the refusal or neglect to carry out a work permit, a fire permit, or a forest travel permit issued under the Act.

Motion agreed to; second reading of the bill.

USE OF HYPNOSIS BY UNQUALIFIED PERSONS

Hon. M. B. Dymond moves second reading of Bill No. 27, "An Act to protect the public from the use of hypnosis by unqualified persons."

He said: Mr. Speaker, the purpose of this bill is as outlined in the title of the bill. It is a matter that requires fairly lengthy explanation, and in view of this fact it is to go to the committee on health and welfare for thorough review.

Motion agreed to; second reading of the bill.

THE ONTARIO NORTHLAND TRANSPORTATION COMMISSION ACT

Hon. W. M. Nickle moves second reading of Bill No. 28, "An Act to amend The Ontario Northland Transportation Commission Act."

Motion agreed to; second reading of the bill.

THE RESEARCH FOUNDATION ACT, 1944

Hon. Mr. Nickle moves second reading of Bill No. 29, "An Act to amend The Research Foundation Act, 1944."

Motion agreed to; second reading of the bill.

ONTARIO MENTAL HEALTH FOUNDATION

Hon. Mr. Dymond moves second reading of Bill No. 34, "An Act to establish the Ontario mental health foundation."

He said: Mr. Speaker, the purpose of this bill is, as outlined in the title of the Act, to set up the Ontario mental health foundation. We believe this is necessary to stimulate research, not particularly or peculiarly with a view to financing it totally out of public funds. This has been done after a great deal of consideration and deliberation.

We believe that one of the most hopeful and forward moves in the care and treatment of the mentally ill has come about as a result of the involvement of the public—the involvement of society—in this matter. Since many people are in a position of being willing to help in work of this kind but unable to give of their personal services, we believe the setting up of such a foundation as this, to provide funds for research, will give a great many people an opportunity to give of their

substance if they cannot give of their personal service.

This bill also, sir, will go to the standing committee on health.

Motion agreed to; second reading of the bill.

PORT ARTHUR YM-YWCA

Mr. J. Chapple moves second reading of Bill No. Pr8, "An Act respecting the Port Arthur YM-YWCA."

Motion agreed to; second reading of the bill.

TOWN OF RICHMOND HILL

In the absence of Mr. A. A. Mackenzie, Mr. J. F. Edwards moves second reading of Bill No. Pr12, "An Act respecting the town of Richmond Hill."

Motion agreed to; second reading of the bill.

TOWN OF ARNPRIOR

Mr. M. Hamilton moves second reading of Bill No. Pr14, "An Act respecting the town of Arnprior."

Motion agreed to; second reading of the bill.

TOWNSHIP OF CALVERT

Mr. R. Brunelle moves second reading of Bill No. Pr18, "An Act respecting the township of Calvert."

Motion agreed to; second reading of the bill.

TOWN OF LEASIDE

Mr. H. E. Beckett moves second reading of Bill No. Pr29, "An Act respecting the town of Leaside."

Motion agreed to; second reading of the bill.

Hon. L. M. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole, Mr. W. E. Johnston in the chair.

ST. GEORGE'S COLLEGE

House in committee on Bill No. Pr4, An Act to incorporate St. George's college.

Sections 1 to 12, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr4 reported.

MEADOWVALE BOTANICAL GARDENS

House in committee on Bill No. Pr13, An Act respecting Meadowvale botanical gardens.

Sections 1 to 3, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. Pr13 reported.

CITY OF PORT ARTHUR

House in committee on Bill No. Pr15, An Act respecting the city of Port Arthur.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr15 reported.

Hon. Mr. Frost moves that the committee rise and report certain bills without amendment and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and asks for leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, last Friday when I moved the adjournment of the debate, I had been trying to impress upon this government the need for a mental institution in the vicinity of the city of Windsor. However, in reading over the transcript of my remarks of last Friday, I find that there are quite a few remarks that have been left off the typewritten copy. It strikes me as being very strange that these remarks were left off.

In fact, one of them that I distinctly recall was the fact that one of the hon. members from the government benches mentioned the fact or sort of scoffed at unemployment, and I specifically recall stating that we in the Windsor area consider unemployment a very, very serious issue and not a laughing matter, and I do not find that anywhere in the typewritten notes.

We do not consider unemployment a laughing matter at all. We think it is very, very serious and the trouble probably is that hon. members over there have that idea concerning unemployment.

Mr. Speaker, the medical officer of health in our city was very vigorous in his ideas concerning need for the institution, and I can recall reading his remarks here:

Since statistics indicate that, during his or her lifetime, one out of every 14 persons in Ontario will be treated in a hospital for mental illness.

This should show the acuteness of the problem. The closest mental hospital to the residents of the Windsor area is St. Thomas, and that is 120 miles away. The patient population of this institution, I am told, is about 2,200, of which approximately 1,100 come from the Windsor area.

Think of the hundreds of friends and relatives who must be weary of the exhausting trip to St. Thomas to see their own. Think of the hundreds who are perhaps barred from going at all by the twin obstacles of cost and finance. Surely an area from which so many of the patients come should be given more serious consideration, and action towards the establishment of facilities in its own locality to accommodate its own patients. Many of these former local residents now hospitalized must be curable. Getting to see them is a gruelling chore for their folks, who are as much the victims of mental illness as the patients themselves.

Mr. Speaker, the Royal Bank of Canada monthly letter of October, 1960, has a very worthwhile article entitled "The Social Challenge of Old Age." I am quite sure that most of the hon. members of this House have read it and have given it some thought. The statistics contained in it should give cause for serious thought, consideration and preparedness on the part of this government. In less than 20 years, we shall have 1,615,000 more men and women aged 60 or higher than we have had 5 years ago, and 5 years ago there were 1.73 million.

The old are sometimes tolerated but too seldom valued. We place heavy accent on parental duties toward children but no emphasis on children's duties towards parents. Some children are completely unaware of any obligation.

Possibly the time has come to consider the aged in the same fashion as we consider the young.

We do have what is generally known as a "baby bonus." Maybe consideration might be given to an "aged bonus"—either a direct contribution to a family taking care of its parents or income tax consideration to this same family. Possibly tax concessions may be made to industries employing workers over a

certain age. Maybe certain types of employment should be limited solely or almost solely to the aged capable of employment.

I have thrown out these thoughts in the hope that more imaginative and capable minds may enlarge, expand or discard as impractical such considerations.

Now the conservation council of Ontario, Mr. Speaker, after two years of study, has reported the facts to the provincial government. And startling facts these are. And here they are:

Except for a few areas, Ontario has fewer parks than any large centre of population on the continent. By the end of this century, an additional 200,000 acres will be needed for parks.

The report is strongly critical of the Ontario government, particularly for its failure to create sufficient parks. How well justified this criticism is should be clear to residents of Essex county which, only two years ago, received its first provincial park.

Mr. Speaker, once again I ask the government to look into the acquisition of waterfront properties on Lake St. Clair for a provincial park.

For the sake of the northeastern half of Essex county, because of the added interest that will be placed on physical fitness and even from the point of view of the tourist industry, The Department of Lands and Forests should reconsider their decision of the last year and acquire the last long stretch—6,380 feet—of undeveloped properties on Lake St. Clair.

I know the hon. Minister of Lands and Forests (Mr. Spooner) will state that his department has already given this area considerable attention. I know that he will state the properties are too narrow in depth. But a look into what our neighbours across the waters have been able to do with quite similar properties should awaken the imagination of this department.

This Lake St. Clair frontage lends itself most admirably to winter works development and assistance to the unemployed. One can walk out into Lake St. Clair for about half a mile and still be in waters not over 5 feet in depth. A park of about a half a mile by 6,380 feet of lake frontage could be readily developed. This project does not have to be completed in one year, but the properties must be acquired before the price becomes exorbitant and before they end up in the hands of our American friends.

Mr. Speaker, I know The Department of Lands and Forests has been concerned with

the spread of Dutch elm disease for, in the research director's submission on its spread, many worthwhile remarks are made. The contagious element of this disease could be greatly reduced by spraying and sanitation, and by the removal of dead trees or trees which are damaged beyond recovery.

There is reason to believe that control practices can save elms or reduce losses to that level at which no more trees are killed than would be destroyed by other agents.

According to the latest available records, elm ranked third in volume and value of the 16 commercial hardwoods logged in Ontario. The elm is important commercially and is one of the few native species which can be grown successfully in the nonagricultural wet lands of southern Ontario. It is the characteristic tree of rural Ontario and its loss would materially change the appearance and aesthetic value of the landscape.

The Windsor area is hard hit by this blight. It is beyond the means of the area to cope with the problem successfully without aid from the province. If the province does not step into the picture in a very vigorous and active way, the elm tree may become a thing of the past.

Now, were the problem some virus affecting the health of the individual, the health authorities would immediately step into the picture to remedy the situation. The spread of Dutch elm disease can have commercial, conservation and aesthetic repercussions.

Mr. Speaker, allow me to dwell for a moment on The Athletics Control Act of 1947. Is it not about time that this Act was revised or better still eliminated?

Surely we do not need an athletic commissioner if rules and regulations as set out by this Act are not enforced. Surely this man's time could be better and more fruitfully spent if he were made a recreation commissioner and a whole new field of athletic endeavour were prompted, organized and properly supervised. Professional wrestlers and boxers supply entertainment and should be put under that branch of the government which controls the field of entertainment.

May I inform the hon. members of this House that a public recreation agency is already in operation in California, Vermont and North Carolina? Such an agency here could give its full time and attention to the promotion of recreation for all the people. Increased life expectancy; decreased periods of gainful employment brought about by automation; and the potentially devastating problems that beset a people unprepared to face an enforced leisure, are ample

reasons for the establishment of a recreation commissioner instead of an athletics commissioner.

Mr. Speaker, one year ago I spoke at some length on physical fitness. My stand is well known.

The need for the programme still remains and we do not need to be reminded of its importance. Let us look at the athletic or fitness showplace of the world—the Olympic games. Except for a few individual athletes in several select sports, the showing of our people leaves much to be desired.

I do not want to belittle the efforts of that worthy band of Canadian men, women, boys and girls who represented us to the best of their abilities in these games. The results of their abilities showed how far behind former so-called underdeveloped and undernourished nations of the world we are. In the eyes of the world we are athletically and physically illiterate. We must awaken to the call of the need for fitness or the future of our nation, if dependent on its abilities to endure potential hardship, will be very grim.

I am aware that a committee has been set up to go into the study of the fitness problem, but surely an interim report of its studies should now be available to the hon. members.

I do not intend to supplement the comments I made in my original address on February 29, 1960, before this House, other than to quote from the January, 1961 issue of *The Amateur Athlete*, a United States publication. I will simply read one or two paragraphs and that will suffice. Granted, this is an American publication and the impact may not be quite the same as it would be in Canada:

The physical fitness of the United States boys and girls again has been found to be well below that of the children of other nations. The study found that youngsters of the United States were weaker than the youth of the other nations. For example, the study found that the British girls in the 10 year or 11 year age bracket exceeded the average score made by United States boys.

The article continues:

While there is still time, the comparisons cannot be lightly regarded or glossed over easily. They should provoke serious thought and stimulate universal organized action before it is too late.

Now, Mr. Speaker, before I conclude my address I know that either the hon. Prime Minister (Mr. Frost) or the various hon.

Ministers of the Cabinet will list things that are being done or have been done for the Windsor area but not one of these things that have been done, or are being done, actually assists in the stabilizing of the economy of the area.

I would like the hon. Prime Minister, as he has mentioned once before, to reiterate that if there is anything that can be done for the Windsor area he would certainly do it. We in Windsor would like to see him keep his word.

Mr. R. M. Myers (Waterloo South): Mr. Speaker, it seems to me that every time there is a meeting of municipal officials, a resolution is passed declaring that the burden of taxation on the shoulders of municipal property owners is becoming intolerable and asking the government for increased grants. It seems curious that at none of these meetings does anything appear to be said about improving methods of the collection of taxes or the administration of The Assessment Act.

To the cries of the municipal councillors has been joined the editorial staff of the *Toronto Globe and Mail* who suggest a provincial income tax and additional taxation on business. And to the cries of the councillors is also being joined the voice of the hon. leader of the Opposition (Mr. Wintermeyer) who urges the government to impose a sales tax. I would like to say a few words about these matters.

It is rather curious that the meetings of the municipal officials seem to assume that all Ontario is divided into two separate camps: On the one hand, the municipal property taxpayers, and on the other hand the provincial and federal taxpayers.

It does not seem to have occurred to them that everybody in Ontario is a municipal taxpayer, paying his tax either directly to the municipality or indirectly as an addition to his rent. There are some exceptions. There are people in jails and people in Ontario hospitals, and widows who share accommodation in other people's houses. But the exceptions are insignificant.

Now, if what the municipal councillors say is so, then what they are asking is that the municipal taxpayers should pay something less than they pay at the present, and the provincial and federal taxpayers should pay something more than they pay at present, the extra being the amount required to provide for additional grants. Of course, that is impossible, since they are all one.

The only thing that can be done, if anything can be done, is to rearrange the

tax burden amongst the various taxpayers, that is, amongst all of us. I shall give my views as to whether or not such a division is possible or desirable.

At the present time municipal taxation is so arranged that people who occupy expensive residences pay higher taxes than do the people who occupy more modest homes. I think that a very good arrangement. More than that, it is an arrangement which recognizes that one of the purposes of taxation is to equalize economic inequalities.

The *Globe and Mail* and its editorial staff would have a provincial income tax. But the imposition of a provincial income tax is impossible during such time as the federal-provincial tax agreement continues. Moreover, any attempt to impose more taxation on business and industry would result only in an increase in cost of living.

The hon. leader of the Opposition, if he is serious, would impose upon the people of Ontario a huge sales tax, a tax in excess of \$250 million to take care of the total cost of education.

It seems to me that a convenient and practical way to divide taxation is this. There is one class of taxation which provides that the wealthy man pays more than the man of more modest circumstances. Taxes of that class are succession duties, income taxes and municipal taxes. There are other taxes, some of which are hidden from the consumer and which result in an increased cost of living, and such taxes are the corporation taxes and sales taxes of all kinds.

Mr. H. C. Nixon (Brant): The Rt. hon. Prime Minister (Mr. Diefenbaker) increased the sales tax at Ottawa.

Mr. Myers: I have no idea if he did. I hope he does not.

An hon. member: He increased the debt, too.

Mr. Myers: Let me say that the imposition of the hidden taxes—that includes the corporation tax and sales tax—falls heaviest on the young man with a growing family and expanding need. It hardly touches the older generation who very often have an adequate income but very few needs for things which carry the hidden tax. Let me illustrate what I mean by reference to the city of Kitchener, the home of the hon. leader of the Opposition.

The average per capita residential tax in Kitchener—that is, leaving out industrial and commercial—is \$58. Now, on Rusholme road, which is an area of expensive homes, the average number of people living in a house

is 3, the average municipal tax per property is \$662, and the per capita property tax on this street is \$281.

On the other hand, on Hebel place, the average number of people living in a house is 6, the average property tax \$214 and, reduced to a per capita basis, the property tax is only \$38. On a per capita basis then, the people living in Hebel place pay only one-seventh of the property tax of the people living in the expensive residential area of Rusholme road. Now, I cannot see much the matter with that.

In any case, the province is precluded from the imposition of any provincial income tax. The Ontario succession duties are now higher than they are in any other province in Canada. If the succession duties were raised to the extent necessary to provide the total cost of education, they would amount to confiscation.

Mr. J. J. Wintermeyer (Leader of the Opposition): Is the hon. member suggesting higher succession duties?

Mr. Myers: No, I do not say they should be higher. I was just trying to say that one is driven to a sales tax. There is not anything left; nor is there anything left for the government either.

The only fields of taxation left for the province are fields which must increase the costs of living. If there is a tax imposed which increases the cost of living, let us see how that tax would affect the people of Kitchener. That kind of tax would fall heaviest on the residents of Hebel place, that street of modest homes with an average of 6 mouths to feed, and it would fall lightest on the residential area of Rusholme road where the houses are more expensive and the average number of mouths per home to feed is only 3.

I anticipate the government will impose a sales tax at this session. If they do impose such a sales tax, let me say that I hope it contains a large number of exemptions from taxation of articles which are necessities.

I made an examination of some of the Kitchener properties and I found it hard to arrive at any basis of comparison. I was driven to compare them on a per capita basis, but that is a highly unsatisfactory basis.

Mr. Wintermeyer: Does the same condition prevail in Galt?

Mr. Myers: Just the same. The ideal basis of comparison of assessments and municipal taxes is on the basis of \$1,000 of equalized assessment. But there is not any equalized

assessment in Ontario. At the present time, the counties have assessment departments which attempt, by spot checking, to equalize the assessment of the various municipalities making up the counties. And duplicating the check by the counties, the province maintains taxation offices throughout the province in an endeavour to equalize all municipal assessments for purposes of educational grants. The result of the investigation by the province shows a tremendous variation in the results of assessment by various municipalities—a difference of 60 or 70 per cent.

Now I discussed this problem—and it seems a very serious problem to me—with officials of The Department of Municipal Affairs and also with the economists in the service of the Canadian tax foundation. All of them have ideas of improvement of municipal assessing and tax collecting. I should like to dwell for a moment on what they told me.

In the first place, it would appear that equalized assessment throughout the province is an absolute necessity. Although The Assessment Act provides that properties shall be assessed at actual value, most municipalities now base their assessment on the costs of 1940. These experts, with whom I spoke, are of the opinion that the assessment ought to bear some relation to present market values or at any rate the market values of not more than 5 years ago.

I suspect—although I have no proof—that because of the present method of assessment, which has only a remote relationship to market values, many modest homes are assessed at probably half their value while the expensive homes are assessed at perhaps only a quarter or a fifth of their value. The result of such unequal assessment is much to the detriment of the small property owner. I think that condition can be remedied by an equalized assessment at values close to present market values.

It seems to me it is impossible to find an assessor or a council who will have the courage to increase assessments to their present market values or to the market value or even the value which existed 4 or 5 years ago. I think that municipalities in the same area ought to consolidate their assessment departments so that there would be some uniformity in making assessment, at least in portions of the province.

I think, too, that as the province continues to increase grants to municipalities, the interest of the province in equalized assessment will grow and I believe—and it is the opinion of the people with whom I spoke—that ultimately the province should take over

the assessment of all municipalities everywhere in Ontario.

In cases where the owner of a property has applied for a National Housing Act loan, he makes his tax payments in monthly instalments. Our people are now used to instalment paying and it has been suggested that taxes could very well be paid in monthly instalments. Such a plan would relieve the taxpayer from having to find a large sum of money at one time.

It has been pointed out that the Central Mortgage and Housing Corporation has received very few complaints with respect to the payment of taxes in monthly instalments.

There are many areas in Ontario, particularly in my own county, where there is a great deal of industry and where the work people live in surrounding areas. In other words, the municipality where the plant is situated gets the benefit of the property tax on industry, while the municipalities where the workmen reside are obliged to provide schools and all the other municipal services for the workers without benefit of any industrial assessment.

I think, in areas of this sort, there ought to be a consolidation of assessment department and also a uniformity of the tax rate. I think the same taxes and same assessment ought to apply in these areas in the way that they have been made to apply in Metropolitan Toronto.

It has been pointed out to me that if a member of a municipal council holds office for only one or two years, his usefulness is limited—for instance he is precluded from planning with any degree of certainty the completion of any long-range project which may extend beyond his term of office.

It has been suggested that members of municipal council ought to hold office for 4 or 5 years. If they do, they will immediately acquire a greater prestige, and one would imagine that the number of voters turning out for municipal elections would approach the number who vote in provincial and federal elections.

With longer terms of office, municipal councils could carry out a long-range project, feeling confident that they would have an opportunity of producing results before their terms of office expired.

While there seems to be a great question of whether taxes at the present rate are unbearable, it is pointed out by the hon. Provincial Treasurer (Mr. Allan) in his budget that, while municipal taxes have increased in later years, nevertheless when

compared with incomes a percentage of municipal taxes today are somewhat less than they were in 1940.

In conclusion, may I make a brief reference to the cost of education?

On a per capita basis, the cost of education in Kitchener amounts to \$24; I ask the hon. leader of the Opposition if he considers an expenditure of \$24 per capita for education, and all the benefits which flow from education, to be excessive. If he does, how does he compare the per capita cost of education of \$24 with the per capita cost of liquor in Ontario which last year amounted to \$60?

Mr. Wintermeyer: That is not the problem at all.

Mr. H. J. Price (St. David): Mr. Speaker, it is always a pleasure to have the opportunity of speaking to the House on behalf of the constituents of St. David riding, especially in the Throne debate.

I am glad, Mr. Speaker, that you are in the chair today as I wish to address a few remarks to you. As other hon. members have pointed out, you conduct the affairs of this honourable House in a very able manner. This not only has impressed the hon. members, but I am sure has impressed the school children and others observing from the gallery.

You added another credit to your achievements last fall by extinguishing the fire, which started in the Speaker's apartment and which otherwise might have burned down the Parliament buildings. Hon. members have suggested that we should honour you for this by presenting you with a scroll to commemorate the event, and conferring upon you the title of "Preserver of the Legislature."

At this time I would like to congratulate the new hon. member for Timiskaming (Mr. Hoffman) and Simcoe Centre (Mr. Evans). I am sure they will enjoy their work in the House and that they will bring credit to the people who elected them.

I would like, Mr. Speaker, to make a few comments about the St. Lawrence seaway. The two main objectives were, first, the linking of the St. Lawrence with the Great Lakes over a distance of some 2,300 miles; and, second, the benefit of the development of electrical energy.

Although the Canadian government reached agreement with the United States government in 1941, it was 10 years before we were able to get any action from the United States government. It appeared, in 1951, that it might be necessary for Canada to build an

all-Canadian seaway. This, however, did not develop.

Ontario's share in the international rapids section amounted to some 850,000 kilowatts of electric energy. Of course, the energy that was developed was paid for by New York state, Quebec, and the Ontario Hydro-Electric Power Commission.

The cost of the seaway to the federal government has been estimated at some \$350 million.

It has also been estimated that the elimination of the transshipping will save some \$30 million a year. In addition, you will recall it was mentioned in the House recently that the linking up of the Quebec-Labrador iron ore with the steel mills on the Great Lakes was accomplished by the seaway. It was the only way of doing it.

This project points up the co-operation existing between the Americans in the state of New York and our own Hydro-Electric Power Commission, which made possible this great enterprise.

We should not forget that it was our own premier, hon. George Drew, and the late Robert H. Saunders, chairman of Hydro, who had a great deal to do with building this magnificent project. Also, the opening of the seaway gave us an opportunity to meet Her Majesty the Queen and Prince Philip when they were here in Toronto. It also gave Her Majesty and Prince Philip an opportunity to travel around and meet the people of our province.

Hon. members who live in this area will recall that the naval ships were anchored for a period, just off the exhibition grounds. This was a sight which those of us who saw it will never forget.

Some of the officers and men were very well entertained while they were in Toronto and the metropolitan area. I heard some of them remark that they had never been more graciously entertained anywhere in the world.

I would now like to make a few remarks on the development of southern Ontario. The truly great development which we have witnessed in southern Ontario in the present decade, with its natural encouragement of ancillary development further north, is a revelation to all of us of the vast potentials inherent in this province.

The coming of the seaway, while linking us to the seaport lands and markets of the world with cheap water transport, is also contributing to our landward development with an impact which will become more and more noticeable as time passes.

But the vision which has brought these things to pass should now be focused on what I believe is one of the primary needs of the vast and widely extended residential and industrial complex and the more densely inhabited areas centred on the metropolitan radius of this great city of Toronto.

We have a truly tremendous system of highways and roads linking this complex with all sections of the province of Ontario and with the other provinces beyond; but we should now consider other forms of movement of our people by fast and efficient public transportation within this great metropolitan complex, if we are to appreciate and meet the great need that is becoming daily more obvious.

In my opinion that need is for fast and more efficient public transportation by rail. Whether we use one rail, like the monorail, two rails like the railroad, or three rails like the subway, I think we have to get back on the rails if we are to get anywhere with the meeting of this need.

I recommend to this House that consideration be given to the planning of fast arterial railroads, closed off from other traffic, and both above and below ground. When I look at the situation in the city of Toronto today I am appalled at the lack of vision shown in the past.

But let us not dwell on the mistakes that were made yesterday. Let us profit by them in the planning that we do for the future. Let the future generations say that we planned well.

I commend fast public transportation within the city and Metro area by closed-off rail and subway routes linking the surface routes to the outer boundaries. I do not suggest that we make any gift of money to the TTC, but I do suggest that Metro, the TTC and the city of Toronto turn over property to the province equal in value to whatever money we might provide.

A few years ago, Mr. Speaker, it will be recalled that we brought down a report on air pollution. The chairman of that committee was the hon. member for High Park (Mr. Cowling).

One of the cities the committee visited was Pittsburgh, and those hon. members who were on the committee, and others as well, will be aware of the tremendous air pollution problem they had in Pittsburgh, Pennsylvania. That problem barely exists today because, years ago, they developed the very best means of eliminating air pollution. They have achieved tremendous success.

I sometimes wonder, when I see the smoke billowing out of the east block, whether or not it would pass an inspection.

During the summer, a delegation led by the hon. Minister of Agriculture (Mr. Goodfellow) went to the United Kingdom to explore the possibility of markets for the province of Ontario. I am sure that they discovered many important ways in which we will be able to develop this market in the future. Already they have established the market development branch.

One of the main things we must keep in mind, Mr. Speaker, is quality. Recently, the hon. Minister of Agriculture, when he discovered that Ontario cheese had gone bad in the United Kingdom, made good the shipment valued at \$22,000. It is fast action of this type which will preserve our good name.

Today, in the United Kingdom, they have full employment and a greater prosperity than they have ever had in their history. Some years ago, before the dollar shortage, they imported British Columbia salmon, Nova Scotia apples, canned peaches, canned tomatoes, butter, bacon and cheese.

Some of these markets were lost to us because they did not have the dollars to pay for them. The business for apples went to Italy and the canned peaches were purchased in South Africa.

We have a great opportunity now to get these markets back, but once we get them back we must maintain them by giving them good quality products.

There has been some mention recently in the press here and elsewhere, about the investment of capital in our province. We have officers in the United States, officers in England and officers in Europe encouraging the investment of capital in Ontario.

We would, I think, be wrong to discourage foreign capital of the right type from coming to this country, and particularly in discouraging American capital.

There are some features of the investments here which are worthy of our investigation. In the first place, many of these companies are not truly Canadian companies, but are merely subsidiaries or branch offices which are controlled from the United States.

There is frequently not stock available on the Canadian market for Canadian investors.

Some hon. members may have read, a year ago, a speech made by Dr. Hall, president of Western University, in which he pointed out that, in more than 3,000 foreign firms doing business in Canada, only 2 per cent

of these firms had Canadians on the board of directors.

I think we owe a debt of gratitude to Mr. C. R. Crump, president of the Canadian Pacific Railway, who never misses an opportunity to tell the Canadian story here and abroad. Too many businessmen shun the responsibility of telling the story of our country, or of participating in the community or political life of the country.

We have heard a great deal this session, and last, about unemployment. There have been many views put forward here as to how this difficult problem can be solved. We have had some good suggestions.

I am sure that we will be able to take these suggestions and put some of them into effect to help eliminate this problem. It is not only a problem that has to be dealt with by the federal government, but by other levels of government as well.

There are some 35,000 provincial government employees in Ontario. We are really not able to create jobs in the ordinary sense. We do not want any more employees on the provincial payroll than it takes to operate the province efficiently. But what we must do is promote a healthy economic climate in which business can thrive.

We heard recently that the government has given the green light to night racing. This is something which I, for one, on this side of the House spoke for two years ago and I think this was a wise decision. Not only will it help our fairs by bringing in additional revenue, but will help the farmers and breeders of this type of horse. It will open up additional markets in other parts of Canada and the United States. It will add to the coffers of the province.

Mr. Speaker, I, for one, supported the proposed hospital plan as far back as 1955. In fact I think I was one of the few members who had it as a plank in my platform in that election. The plan in many ways has been a great success. It is, I think, a monument to the wisdom of our hon. Prime Minister (Mr. Frost), who with considerable opposition went ahead and developed a plan which has worked out to the advantage of our people.

I have suggested in the House on other occasions that we need more convalescent and chronic patient hospitals. I was heartened when I noticed recently in the press a picture of our hon. Minister of Health (Mr. Dymond) and the hon. Provincial Secretary and Minister of Citizenship (Mr. Yaremko) attending the sod-turning of Hillcrest convalescent hospital in Toronto at Davenport and Bathurst streets. I believe

we need many more chronic and convalescent hospitals throughout the province, and I encourage the government to build them.

One thing we have not been able to do, in my opinion, is keep abreast of the hospital bed requirements. I think we will have to do a much better job if we are to serve properly the patients of our hospitals.

Something else I believe we will have to consider is the care of the chronically ill. In the event of a catastrophic illness they are in danger of losing their life savings. I do not think we can stand idly by and let people who have saved a few thousand dollars for their old age see it go out the window in a matter of months.

In the future, Mr. Speaker, I think we will have to take more responsibility for advising interested groups in the financing of hospitals. Government has never been called upon to pay the full cost. We would not have our hospitals unless our citizens and corporations gave generously. I think we are going to have to set up some agency in government to advise the people how they can best go about raising the required money for hospitals.

I am fortunate, Mr. Speaker, in having had an opportunity of sitting on the select committee on drugs. This committee, as you know, is chaired by the new hon. Minister of Transport (Mr. Rowntree). I would like to pay him a few words of respect at this time on the manner in which he set up the work of that committee.

We have already heard some very interesting briefs from government officials, university officials, various associations and the pharmaceutical association. A number of things are lined up for the future and it will take us some time no doubt to complete our investigations. I do feel, though, that already the work of this committee is bearing fruit and there has been some indication, whether we can take the credit for it or not, that the price of drugs is coming down.

Some time ago, in Toronto, we put in the crosswalk system. In my opinion, Mr. Speaker, it has been a failure. There are a number of reasons for this.

In the first place, old people and children seem to have a false sense of security when they get on a crosswalk. I have seen drivers for one reason or another drive right through a crosswalk while it was occupied. Sometimes pedestrians are not sufficiently alert and they step out into the path of an automobile, not giving the driver a chance to stop.

In my own riding we have had one fatality.

A youngster going home from school stepped out in the crosswalk and pointed in the prescribed manner; he saw the approaching car but the brakes failed on the car and it ran over the boy and killed him.

There is another crosswalk in Toronto where two people have been killed. Sometimes people come into the city and are not familiar, naturally, with locations of these crosswalks. Sometimes they are very difficult to see. For this reason they may become involved in an accident.

I feel the idea has been a "flop," that we should scrap it. I know there are many other people in the city who feel the same way as I do.

Mr. Speaker, if we are going to attract people to our province, we must give them decent accommodation. I think we could well study the English system of operating hotels, pubs and inns. Unless we can improve our facilities, we are not going to be able to attract tourists. We must have comfortable, clean, congenial accommodation.

For this reason, Mr. Speaker, I think we could very well take a leaf from the English system and investigate the means by which they maintain such a high standard of service, atmosphere and accommodation.

Mr. Speaker, several years ago on the members' tour some of us were in Elliot Lake. We were, I think, very impressed with that model community and what we were endeavouring to accomplish there. We saw excellent homes, schools, churches. It was in every way a model community.

I am very alarmed for the people in that area who, through no fault of their own, find themselves unemployed. Imagine if hon. members themselves were endeavouring to establish there, with a nice home, with all the things they and their children wished for and then suddenly should find themselves out of work. I think the least that we can do for those people is to protect the equity they have in their homes. I would suggest that, as soon as possible, the government set up a fact-finding committee to investigate what can be done for the people in Elliot Lake.

As some of the hon. members may know, Mr. Speaker, Regent Park north and Regent Park south, the largest public housing development in Canada, is located in my riding. It has been a tremendous success. But unfortunately, even though the provincial and federal governments have given considerable aid to this type of project, we have not the money—and the city particularly has not the money—to develop the public housing projects required. The advantages in

additional taxes and the reduction of service costs is quite remarkable.

I am sure, Mr. Speaker, that all of us derive a great source of satisfaction in being members of this Legislature. It gives us a great opportunity to serve the people of our ridings and the people of the province as a whole. I am proud of the democratic system, I have great faith in it and I am proud of the party of which I am a member.

Each individual in our province, I believe, is entitled to the basic necessities of food, shelter, clothing and education. Until we can give these to all our citizens I do not think we have too much to boast about.

In summary, Mr. Speaker, may I refer to the things which I have recommended.

1. Promote hospital construction by advising interested parties how to raise the necessary funds.

2. Catch up on the backlog of hospital construction and build more convalescent and chronic patient hospitals.

3. Relieve the patient of all cost of catastrophic illness.

4. Establish a provincial authority on housing to promote construction of low-rental housing units.

5. Conduct a study of the British system of hotels, pubs, and inns operation.

In conclusion, Mr. Speaker, may I add that I am confident the solution of the problems facing our people is not beyond the range and competence of the hon. members of this Legislature. Let us get on with the job.

Mr. A. Wren (Kenora): Mr. Speaker, in rising to take part in this debate on the speech from the Throne I would like, first of all, to pay my respects to you in the difficult task you have in conducting the business of this House, and to extend to you my appreciation of your work in this House and the many courtesies which are within the purview of the Speaker to grant to an hon. member between sessions.

I would also like to pay tribute to two of the members of this House who have passed on since we last met—Mr. A. R. Herbert from Timiskaming and Mr. G. G. Johnston from Simcoe Centre. They were both men well known to me as they were to most hon. members of this House, and I know that I share the view of all when we express our deepest sympathy to their families, and express also to the communities from which they came the appreciation that we had the opportunity to work with them.

Simultaneously, I would say a word of welcome to the newly elected member for Simcoe Centre (Mr. Evans) and to the newly elected member for Timiskaming (Mr. Hoffman). I am sure as the days go by they will enjoy their association in this Legislature.

I was a bit upset the other day, Mr. Speaker, when the hon. Prime Minister (Mr. Frost) suggested that we were working in a firetrap.

Sometimes I cannot help but agree with him, but I thought he was going to continue, when he was speaking about it, and accept the proposal of the hon. member for Simcoe East (Mr. Letherby) when he said last year that his county might welcome the building of provincial Parliament buildings and facilities in that area from which the hon. Prime Minister came.

It is not all the way north, but it is a good start in that direction. And the way the government departments and facilities are being scattered about this fair city, I think it is time we built something somewhere that is contained within a few hundred square miles.

One thing he did not say—and I notice the hon. Minister of Commerce and Development (Mr. Nickle) feels much as I do—I wonder if the hon. Prime Minister, when eliminating some of the firetraps in this building might do something about the pneumonia traps which are just as prevalent the way the building is heated and air-conditioned.

Since we last met, Mr. Speaker, one of the main towns in the riding I have the honour to represent celebrated its fiftieth anniversary. On that occasion we were very happy to have the company of the hon. leader of the Opposition (Mr. Wintermeyer) who officiated in certain of the functions which took place to honour that event.

I also want to point out that, during and before the event took place, I believe most hon. members of the House and most people in government departments received the souvenir copy of the anniversary edition of the *Dryden Observer* which was published for that occasion.

I know everywhere I sent a copy I received nothing but the highest commendation on the excellence of their work, and it will be my pleasure a few days hence to assist in the official opening of a new printing and publishing plant in the community—a flourishing new industry which employs 50 to 60 people, and undertakes printing contracts from across the Dominion of Canada.

During the debate on the estimates of The Department of Lands and Forests, I am going

to have something to say in my criticism—constructive criticism, I hope—of The Department of Lands and Forests. But I want to serve notice on the hon. Minister (Mr. Spooner) today that there are several pertinent questions I am going to ask.

I would now like to acquaint him with the background of one or two of those questions so that, when his estimates do arise, he will be in a better position to answer the questions. I realize it is not always easy to answer questions off the cuff.

One of the matters which is of very great concern and of real importance to some people in my area is the matter of the low price paid to farmers and settlers for their pulpwood.

The present hon. incumbent of The Department of Lands and Forests has not been there so long that we can be too critical of him; but I say, Mr. Speaker, that appeals have been made to successive Ministers of Lands and Forests: first to Mr. Scott, then to Mr. Gemmell, then to Mr. Mapledoram, and to the present hon. Minister. Very little, if anything, has been done to alleviate what I consider to be a grave injustice to these people.

Just recently—that is to say, within the last 6 or 7 months—4 or 5 events have taken place which emphasize the urgency of this situation.

First of all, there were 265 pulpwood farmers in one area and 162 in another area who appended their signatures to a petition condemning the present prices paid.

Secondly, the majority of municipal councils and statute labour boards in the area were loud in their condemnation of the present prices paid to farmers selling pulpwood to mills.

Thirdly, a circular letter addressed to all businessmen at the Lakehead, in the Kenora area and in the Rainy River area, too, I believe—although I am not certain about the Rainy River area—sought their moral support for the proposition that pulpwood prices to farmers, and others, should be increased; this was enthusiastically received by all the businessmen concerned.

Fourthly, the resolution on these intolerable prices was presented to the convention of the northwestern Ontario municipal association last fall, and it received the almost unanimous support of that organization. In fact, there was one councillor-delegate who voted against the resolution—a gentleman whose name I cannot recall at the moment.

I would suggest, Mr. Speaker, that under The Settlers' Pulpwood Protection Act the

hon. Minister has broad powers which he could exercise to bring some measure of relief to these people. I would seriously suggest that he take a good look at this before his estimates are presented to the House.

Another matter which is of rather deepening concern to us in the northwest, about timber management policy, is the fact that we are beginning to fear that the theory of timber management is remaining just that.

There is not sufficient action in bringing forward into reality what was, in many ways, a very sound theory of timber management.

Now we have situations which have developed, situations which are past and about which we can do nothing; we have situations which are current; and we have situations which will present themselves in the future. In these instances it does not appear to us to be just, nor does it appear to us to be reasonable, that where there are mature and overmature stands of timber, people should be denied the access and the right to cut these raw materials, especially where they will provide jobs for numerous people and stimulate business activity.

Wherever the department does initiate some interest in these things, we have a rather startling situation, one which I thought was long past. We have situations where companies will still insist that they allow someone to cut timber which is otherwise going to destroy itself through rot or blowdown—they will allow people to cut this timber—provided they pay double dues.

This, to my mind, Mr. Speaker, is a rank injustice and one which is controllable by the theory of timber management, and certainly controllable under The Crown Timber Act.

Another matter of interest, which the House will realize, Mr. Speaker, is the coming annual visit of the northwestern Ontario associated chambers of commerce to this place on February 8. Through the joint efforts of the hon. Minister of Reform Institutions (Mr. Wardrope), the hon. member for Rainy River (Mr. Noden), the hon. member for Fort William (Mr. Chapple), and myself, we have had the opportunity to entertain these people and visit the Cabinet with them annually.

I will not go into the matters which they will discuss at that time, except that I would remind the hon. member for St. David (Mr. Price), who spoke just before me, that tourist people have—as have many others in the province of Ontario—little to complain about in the adequacy and the comfort of accommodation in Toronto hotels. I think our hotels are good.

I think our hotel association generally is doing an excellent job in this province. I think that the hon. member for St. David might spend his time to better advantage in seeing to it that the hotels, as such, get a better break in regulations and discipline to better service the travelling public, than to say that our hotels generally do not provide clean and comfortable accommodation.

They are equal to any I have visited in the British Isles and I have visited a good many there. They are equal to any in that area except that they do not have the rights and privileges of realistic liquor legislation to sustain some of their activities.

This afternoon, the newly elected President of the United States, John F. Kennedy, delivered his "state of the union" message to Congress. Those who had the opportunity to hear a part of it I think have been impressed, indeed.

I think the most impressive statement he made—and one which I sincerely pray the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) will one day make—was that the situation in the United States in regard to unemployment and other matters was grave indeed. I repeat, Mr. Speaker, I pray that the Rt. hon. gentleman who is occupying the post as Prime Minister of Canada will also recognize that we are in an emergency and that these times are difficult and becoming more difficult as time goes on.

With the head-in-the-sand attitude which the people have in Ottawa, when they talk about nuclear war and civil defence, as my hon. friends opposite talk about from time to time, I often wonder in case of nuclear attack if the safest place would not be beside the Rt. hon. Prime Minister of Canada because it would probably take him 6 months to discover that an attack had actually taken place, and we would escape unscathed.

I suggest seriously, Mr. Speaker, that they are taking that same attitude in this emergency of unemployment and recessed economic conditions which is upon us today. I hope that once he has advised the government of this province what he intends to do about the unhonoured promise to turn over to this jurisdiction greater funds from the national Treasury, that the next thing our hon. Prime Minister of Ontario might impress upon him is that there is an unemployment situation.

Our hon. Prime Minister might point out that it is an emergency; that it needs attention; and that it is a national problem which must be attended to from his office in Ottawa, with us doing all we can to bolster

and support a realistic programme of employment right across the country.

Until we can get this Rt. hon. gentleman to actually admit that there is an unemployment situation, that there is an emergency, I fear that people will continue to go hungry while he makes up his mind as to whether or not an emergency exists.

In that connection, I was quite distressed the other day to receive from the Elizabeth Fry society—as I know all hon. members of this House received—an analysis of Ontario's approved welfare payments to single persons in the city of Toronto. Even in the country from which I come, where a man can catch himself a fish or perhaps shoot a moose or deer or avail himself of fuel in the woods—free fuel in the case of emergency by cutting his own wood—I still do not know how he could exist up there on the 12 cents a meal which this government proclaimed in their regulations as adequate for a single man living in the city of Toronto and in the province of Ontario.

I think it is a disgraceful situation when we allow this sort of thing in a province and country such as ours; that men are expected to live, because of critical unemployment, on 36 cents a day.

Mr. Speaker, I want to discuss one or two other matters which are of general interest. First of all, I want to talk about the attitude of the Ontario Hydro-Electric Power Commission towards the natural gas companies in Ontario. Due to the increases in industrial rates for hydro in northwestern Ontario, more and more people have become concerned with the whole attitude of control of energy resources.

The hon. Minister of Energy Resources (Mr. Macaulay) has not been long in this post and cannot learn the job overnight. I dare say it takes some years.

Realizing that he has not been there too long and the effect these continued increases are having on industry generally, it is my opinion that too much emphasis is placed, and far too much money is being spent, on Hydro's programme of competition with companies selling natural gas energy in Ontario.

I am not suggesting for a moment that the energy known as natural gas should not meet with competition. But I do suggest that the competition in the natural gas field should come from those who are engaged in that industry and not from a government-supported organization which has a monopoly in another field of energy.

There are uses for each of these energies which have peculiar applications. For one to compete with the other, and spend huge sums to promote change from one to the other, is to invite serious economic dislocation in the use of vital hydro resources.

The huge expenditures applied to new hydro plants are justified, I say, Mr. Speaker, if the new plant is needed to produce power for uses where hydro power is the superior source of energy.

For example, there is little sense, it seems to me, in promoting home heating with electricity at some rather frightful cost and building new plants to produce the energy needed, if a home can be heated cheaper and as cleanly and as efficiently with natural gas.

I strongly recommend, Mr. Speaker, that Hydro should desist from competition in areas where hydro power is not the better or the more effective or the more useful form of energy.

In saying something in addition about unemployment and its effects, Mr. Speaker, I want to preface my remarks by saying that the recently announced programme to retrain 1,400 unemployed might be a step in the right direction, but it certainly did not deserve the headlines that was given by some of the newspapers supporting the government.

Because one outstanding fact remains glaringly clear all this time of emergency. And that is this: There are a good many skilled unemployed people—they are in the thousands in this province—who already are trained and who already have the capacity to handle difficult jobs in skilled trades and industry. While I have no quarrel with the retraining programme as such, we are still missing the point that there are many men already trained, already skilled, who do not have jobs.

I want to talk a little bit about the future here, because I maintain that there is a very grave need for a provincial apprenticeship training programme on a vastly expanded scale.

I suggest, Mr. Speaker, that to maintain the required flow of trained young people, our apprenticeship training must be stepped up at once and the top age extended from 21 to 25 years of age.

Now I say that for several reasons. First of all, in some instances the maximum age of 21 years is too low, I suggest. The second, as has been experienced now when we analyze the effects of the unemployment situation on our work force, is that we discover now

that a lot of young men and young women are realizing for the first time that perhaps their parents were right after all and did know a few things.

They are discovering now that they should not have quit school or that they should have learned a trade instead of quitting at 16 or 17 years of age and going into industry or business or wherever they went.

They are learning now that, in order to qualify for anything that is going to be sustaining, they are going to have to either go back to school or go back into a trade for training.

Unfortunately, many who make that decision, Mr. Speaker, who are now anxious to apprentice themselves, are barred by provincial legislation which will not permit a boy to go into apprenticeship if he is over the age of 21 years. I seriously suggest that this age limit be increased to 25.

I have a number of reasons for that.

Despite the unemployment situation we have today, we all know of certain skills or trades where we would have to import skilled workers into the province if their need became apparent.

Secondly, the cost of goods produced and productivity per person becomes much more favourable when the tools are in the hands of skilled tradesmen.

Thirdly, while wages in Europe are one factor in competition with Ontario goods, an equally important factor is the fact that the quality and the excellence of goods produced in Europe is from the hands, in the main, of skilled workers.

And fourthly, without married women in fields of goods and essential services, our economy would have lagged seriously a long time ago. For example, it is a well-known fact that our engineers on the male side and nurses on the female side emigrate to the United States in greater numbers than we have been training them in the past few years. We are not properly training young people for business occupations, and if it were not for the married women in the offices across the land, and indeed in the civil service of Ontario, some of the necessary activity of government and business and industry would have fallen flat.

There is a reason for this, of course. The blame is not all on government and the blame is not all on industry.

It is a simple fact in occupations in which I have been engaged where some phases of industrial unionism took the attitude that when a boy started to work he got the same

pay as his grandfather. Hon. members know as well as I that in many industries—railroading is one example, but there are many of them—a boy starting out receives immediately the same pay as a man, who is a skilled artisan who, in many cases, has been on his job for 30 years and more.

Now there are difficulties with that situation; at least these two difficulties were presented when that situation developed. One was that the young fellow actually believed that he was worth that kind of money and was reluctant from that time on to work for anything less. Secondly, when automation developed to a point where technological advance eliminated the young fellow—who by the seniority factor alone is the first one to be laid off—when he was reduced to the ranks of unemployed he found that he did not have the training or was not fitted to take training, in many instances, in other fields.

This situation is going to require not only government participation to bring about a sound and sensible programme of apprenticeship training. It is going to take a realistic and helpful attitude on the part of trade unions and it is going to take a realistic and practical attitude on the part of industry.

For example, I do not think with the limited budget of The Department of Labour it would be possible to finance from public funds a large-scale, provincial apprenticeship programme. More buildings would be needed, plus skilled help and the like; all of which would cost money.

I suggest, Mr. Speaker, in order to pay for a programme of this kind, the government alone must not necessarily advance contributions; we must likewise make a levy on industry itself. I would suggest that, in order to pay a good share of an apprenticeship training programme, a levy of one-quarter of one per cent be made on every contract awarded in the province of Ontario where skilled workers are part of the production process and where skilled workers are required to be trained to fill the ranks of those who leave a particular industry.

I commend that seriously to the attention of this House.

Another matter which I think is worthy of attention is the teaching of another language in our elementary schools. I believe that at least oral French should be taught in elementary schools in Ontario.

I can think of one magazine in which I am going to get a rabid editorial about that in about a week's time, but I believe that French should be taught—that is, oral French—in our

elementary schools commencing at a sufficiently early age to ensure that a grade 8 graduate can converse successfully and intelligently. I do not suggest for a moment that they should be able to read and write and be grammatically expert in the language; but they should be able to converse intelligently when they leave grade 8.

I have some reasons for advancing this suggestion.

The first is that such an undertaking is just a natural cultural pursuit, since it is very culturally pleasurable for a person to have a second language, if not a third and fourth.

Secondly, the interprovincial trade in our own country, in our own Dominion, requires the knowledge of a second language. And if some hon. members aspire to heights of glory in the House of Commons, of course it is very useful there, too.

Further, our world businessmen, or a businessman in world trade, a civil servant, Cabinet Ministers—all benefit from the knowledge of at least one additional language, especially those who are going overseas. When the hon. Minister of Agriculture (Mr. Goodfellow) takes his trade mission to Europe to sell our surplus foods, I think he would find a second language very, very useful; and he would be very grateful if his teachers in elementary school level had taught him French before he left grade 8.

I want to say one or two words further about northwestern Ontario—which the hon. members will probably hear more about next week—but I do want to say that there is a continuing feeling in that area that northwestern Ontario continues to be treated as a colony of the province of Ontario.

I say this because, after many false starts, and even 15 years after the war, which naturally interrupted development, there is still no programme of development laid down which is of any use to business, industry or development associations because they do not know what the next 5 years will bring.

There is a continuing barbed wire entanglement in related government policy which is confining—by the lack of co-ordination of departments of government which deal with northern affairs—and it continues to frustrate the people there.

I am sorry the hon. Minister opposite me is not well today and could not stay for the remainder of the sitting, but the programme he once had to do with in housing is one about which I want to say just a word or two. I want to emphasize as strongly as I can, because I emphasized in this House, on many

occasions, how much we need a low-cost housing and a low-cost housing rental programme in northern Ontario; and, after all these years, I still cannot get the idea across.

I was down in that palace one time last fall—I hope my hon. friend improves it now that he has taken it over—and I want to assure the hon. members that in that palace it was as difficult sometimes to get an interview as it was to get an audience with the Queen. And I still have not been able—and I know other hon. members from the north have not been able—to impress people with the proposition that we really need low-cost housing and that low-cost houses can be built.

What these departments try to impress upon people—and sometimes they literally press upon you—is the fact that one has to have a house which costs a minimum of \$14,400 before he can participate in any properly established subdivision plan. By the time you get service, that is the minimum cost in any event; but we have situations in the north, and many of them, where \$5,000 houses can be built. I am going to repeat this—where \$5,000 houses can be built.

They can be very comfortable, and in many instances 1,000 per cent better than the type of accommodation other people are living in.

Furthermore, the \$5,000 house can be built by a down payment under a do-it-yourself scheme, if you want to call it that; and, secondly, whatever mortgage there is will only be a first mortgage, and it will be within the competence of that person to keep up the mortgage payments.

In Red Lake, for example, right now certain departments of government—and I am not saying this in a critical way, because our own people did the same when they were in Ottawa—but there are certain people in government now who insist that if these people in Red Lake want to get their conditions improved they have to build a house under The National Housing Act through the Central Mortgage and Housing Corporation. This would cost at least \$14,400, Winnipeg prices, which is going to increase when we consider the cost of transportation of materials into the area to build the house.

I seriously suggest, Mr. Speaker, that the people in the area who really need houses cannot afford to pay for a \$15,000 home and—added to that—the necessity of putting in their own running water and their own septic tank, because sewers and water are generally not available.

But they can build, through their own work and their own efforts—and they can if we can

get them government assistance and financing—houses worth \$5,000 which will be a thousand times better than the accommodation they have; and, furthermore, they will be able to pay for it.

Some of these situations, Mr. Speaker, are grim, and it is pretty hard to get across just what I am talking about.

Just before Christmas, or earlier than that, when we were sitting on the drugs committee, I sent to the hon. Minister of Health (Mr. Dymond) a copy of a report which was made by the district of Kenora health unit on one section of the Red Lake area.

Some hon. members may think, in the modern hospitals in Metropolitan Toronto, they have something new and grand when they have recovery rooms adjacent to the operating theatres and so on, which is quite a welcome innovation for patients. Tomahawk Village in Red Lake, as the hon. Minister knows, is the only community in North America, I think—I am subject to correction on this—that has recovery rooms built right in for alcoholics.

They have a couple of triangular shacks there, with just room enough for a mattress and one or two other little things in the place; and people who get a little bit too loaded are just hoisted off into what they call the recovery shack and they stay there until they are straightened up or their senses begin to clear.

The point I am making here, Mr. Speaker, is that in that particular section there are 8 or 9 breadwinners who are working steadily and could afford a modestly priced home. But they could not afford a \$15,000 home; in fact, they could never pay for it.

What I am suggesting here and repeating, as I have for the last 10 years, is that it is time somebody in the government at Ottawa and here realizes that we need a low-cost housing plan and a low-cost rental plan for housing in northwestern Ontario.

Another matter I want to discuss for a moment or two is liquor administration. Every year I have to say something about it and I think the hon. members would be disappointed if I did not. It is one of the favourite occupations in Toronto, so I know every one in Toronto is interested in hearing it.

But, in the whole field of liquor administration, it is my contention that the administration of liquor laws in Ontario, as they relate to retail sales, should be turned over to the municipalities.

First, it is the municipal elector who

decides whether or not there will be a retail outlet, or a cocktail bar, or what have you in his particular municipality. Once that decision is made, a satisfactory relationship continues between the licence holder and the board. I do not have to repeat what I mean by that, because again I have talked about that every year for 10 years.

Hon. A. Grossman (Minister without Portfolio): Party policy?

Mr. Wren: When did the hon. Minister wake up? He was having such a good sleep over there. No, it is not my party policy. I said it was my contention.

Hon. Mr. Grossman: Is that his party policy the hon. member was talking about this morning?

Mr. Wren: I would ask the hon. Minister opposite if his party supports the contention of the hon. member who said on Saturday that coloured margarine is coming? Does the hon. Minister support him on that?

Hon. Mr. Grossman: I told him I was against discrimination in colour at all times.

Mr. Wren: As I was saying, Mr. Speaker, the province, I contend, should set the minimum standards required to carry on the sale of alcoholic beverages; and for all types of premises, be they hotels, inns, cocktail bars, restaurants or what have you. The municipality should be allowed full control of the issuance of licences, their inspection and the discipline of the premises.

The hon. member for St. David was talking a little while ago about the excellence of the English inns. That is one of the things that make for the excellence of the English inns, the simple fact that the local council, as far as the licensing and policing are concerned, are in full control.

I know from experience, because I have seen them. When people misbehave in an English pub, it is not necessary to call a 250-pound bouncer or the local constabulary to get them out. The people at the next table will politely, and if necessary forcibly, have them leave the premises because they will remind them immediately that this is "our pub." As long as you want to behave like a gentleman you are welcome; if you do not choose to behave as a gentleman you will leave.

The same situation could obtain here if the licensing control were left to the municipality, because, after all, who knows better the people who buy the licences, and

who knows better whether a person should continue to hold a licence than his own neighbours?

Hon. G. C. Wardrope (Minister of Reform Institutions): Would that be best for Red Lake?

Mr. Wren: Red Lake does all right.

Hon. Mr. Wardrope: Every place does all right under this government.

An hon. member: Elliot Lake?

Another hon. member: There is no unemployment there!

Mr. Wren: The hon. Minister and his hon. friend beside him promised Elliot Lake 11,000 jobs last year—where are they?

An hon. member: There are no unemployed there; has the hon. member been up lately?

Mr. Wren: There are no unemployed there? The only unemployed in this province are sitting opposite.

An hon. member: If the hon. member for Kenora had been awake when he was asleep, and asleep when he was awake—

Mr. Wren: If we could get this Cabinet to work, I think we would be able to do something about the unemployed.

Hon. Mr. Wardrope: The hon. member should ask them up in his own area; they will tell him.

Mr. Wren: I have asked them. I have had occasion to ask them in Port Arthur, too. How about the sawmills that moved out?

Hon. J. A. Maloney (Minister of Mines): Mr. Speaker, is that why the hon. member for Kenora used the sign during the last election, "Keep moving forward with the member for Kenora"?

Mr. Wren: Well, Mr. Speaker, some of my supporters thought I was not moving forward fast enough but the hon. Minister of Mines came up there and gave me such a help that there was never any more doubt about it.

Hon. Mr. Maloney: Had I been there a week longer things might have been much different.

Mr. Speaker: I would ask the members not to interrupt the member who has the floor.

Mr. Wren: I think that is a very wise decision, Mr. Speaker.

I want to talk about another matter—I knew the hon. government members would not agree with me about realistic liquor legislation. But I want to talk about another matter and perhaps they will agree with me, especially the hon. Minister of Reform Institutions, because events in northern Ontario in recent months—and I am speaking of northern Ontario particularly because I know more about it; the same things may be happening in southern Ontario—prompt me to suggest that some examination of the operation of telephone communication, and particularly long-distance telephone communication, might follow by those in authority.

We have some communities which have switched from the national Bell telephone system to a provincial company which we all know, the Northern Telephone Company Limited.

This was when the telephone authorities of those communities learned from Northern—and it has since been proven by fact—that the provincially based company could pay over to the telephone company proprietor vastly increased commissions from long-distance traffic; in fact, the differences have been truly amazing.

I suggest that the company which is based in Ontario is not operating for charity; they are in business like everyone else to make a reasonable profit. But when they are able to operate for profit and allow the tremendously increased share of tolls back to the operating telephone companies, I suggest there is something seriously wrong; and there has been something seriously wrong with the tolls the public have been overpaying over many years.

As my hon. friend knows, his own community is at the present time negotiating with Northern Telephone for the very simple reason that their contract with the Bell Telephone Company has expired or is nearly expired. This Ontario company is able to offer them such an attractive financial benefit that Bell has either to get down below what they are offering or get out—and that would practically put them out of northern Ontario.

Hon. Mr. Wardrope: Mr. Speaker, I would just like to say that we all agree with that—that is private enterprise.

Mr. Wren: I am not discussing private enterprise or the lack of it. What I am saying is that for years this administration, and others before it, have gone on year after year and never made a protest to Ottawa, to my knowledge, about an application for increased telephone tolls.

What I am pointing out here is that someone has been reaping a harvest over the years from these telephone tolls. A northern Ontario-based company has now gone into this field in a big way, and have been able to prove conclusively that they can maintain a second telephone service and leave benefits far greater than Bell left anywhere in the northern part of the province.

There has been a good deal of talk about public ownership, and I am not going to discuss that at this time. But it might be well if this government had a good look at this situation.

Perhaps it might be well if a committee of this House had a good look at communications and the cost of them in Ontario.

It might be very revealing indeed, because my hon. friend from York South (Mr. MacDonald) indicates there has been a lot of talk about public ownership. Actually, the larger company has, to all intents and purposes, a public monopoly in this House; and should be quite willing, I would think, to stand in the light of day and have an examination of telephone communications made before a select committee, or perhaps the Canadian government.

I am not going to suggest here which might be the more efficient, but certainly a good look should be taken.

There is one other thing I want to mention before I sit down—that is the retail price of gasoline in northwestern Ontario. Now, hon. members may say that they have heard enough gas from northwestern Ontario this afternoon to do them for a while. But I am going to talk for just a minute or two about gasoline.

Beset with many problems as we are in the tourist industry, northwestern Ontario still labours under discrimination—under severe discrimination—in retail gasoline prices.

The people resent paying up to 52 cents a gallon for standard gasoline. People who live there resent that in no uncertain terms. And it makes the visiting tourists furious indeed when they come into our area and are charged up to 52 cents a gallon for gasoline when just across the border they can buy it for as little as 36 cents.

One of the anomalies of this thing, which is utterly unexplainable to anyone in the business or out of it, is this: from the town of Kenora, for example, they will supply, wholesale, retail outlets on the Manitoba side of the border from a Kenora wholesale outlet; and the cost of that gasoline in the Manitoba retail outlet is 36 cents a gallon, where the

same gasoline, 35 miles closer in the town of Kenora, is from 48 cents to 52 cents, depending on the season of the year. And in southern Ontario, we have a differential. But if I cross the American border into the United States, while, of course, the content of the gallon is less, the price also drops very sharply.

I wish that someone some day would have a look at the price of retail gasoline in that area, because someone is reaping a harvest out of it and we are right in between it. It is one thing to pay 13-cents-a-gallon gasoline tax—and I do not think too many people quarrel with paying a gasoline tax when they are getting roads—but it is another thing to pay the 13-cents-a-gallon gasoline tax and then pay an additional 13 cents to 15 cents in retail prices because someone thinks that northwestern Ontario is over a barrel. I wish someone in authority would do something about it.

Mr. Speaker, I want to say a word or two about public accounts, but perhaps, as the time is getting on, I shall leave that for another day or when the accounts in particular are brought up or when the departments concerned bring their accounts before the Legislature. I will leave—

Mr. C. E. Janes (Lambton East): Mr. Speaker, might I correct that statement the hon. member made a minute ago about the price of gasoline? We find there is such a little difference in the price it does not even pay to fill up our tanks on the American side. It is almost the same price.

Mr. Wren: Well, I do not know about the hon. member's area. That could be. I am speaking about the Minnesota area as compared to ours, northwestern Ontario. It may be at Windsor and Detroit that prices are similar for the same quantity, I do not know.

Mr. Janes: When one considers the difference in the size of the gallon, it is almost the same.

Mr. Wren: Well, that may be.

Mr. W. G. Noden (Rainy River): Why is it that the price of gasoline at the international boundary is very similar, but there is this difference in price between International Falls, Minnesota and Fort Frances, Ontario, and Kenora?

Mr. Wren: I am sorry, I did not get the question of the hon. member. I was not listening.

Mr. Noden: The differential on price between the American side and the Canadian side on the boundary is nil. But why should there be that difference between the border and Kenora?

Mr. Wren: Well, that is the question I am asking. That is just what I want to know.

Mr. C. T. Rollins (Hastings East): It must be the dealer.

Mr. Wren: Mr. Speaker, it is not the dealers, because I have been a dealer in the business myself and I know. The same wholesale outlet sells gasoline in Kenora as sells on the Manitoba side. Exactly the same wholesale process.

Mr. Rollins: Has the hon. member checked into the different methods and different branding of gasoline with regard to retail prices?

Mr. Wren: Yes, I have, as far as that area is concerned, on branding and pricing, yes.

Mr. Rollins: Is the hon. member aware that unbranded gasoline, known as unbranded, has a different resale price than branded gasoline?

Mr. Wren: Well, that could be. I am speaking now of recognized brands: Esso, Texaco, and the like. Nationally advertised brands.

Mr. A. F. Lawrence (St. George): Mr. Speaker. I want to join with, and join in, the words of congratulation that have been sent your way by the various hon. members as well as the words of congratulation on the elevation of the hon. Deputy Speaker (Mr. W. E. Johnston) and also to the new hon. Ministers of the cabinet. I also want to congratulate the hon. mover (Mr. Gomme) and hon. seconder (Mr. Evans) of the motion for an address in reply to the speech from the Throne.

I want to say a few words today about a few of my own opinions on the future of municipal government in the Toronto area.

But before doing so, I would also like to take this opportunity of saying a few words concerning some of the grievances and complaints that I have voiced in this House over the last few years in regard to certain aspects of government policy. Some of my grievances have ranged all the way from liquor policy, to a residence for the Lieutenant-Governor to a higher indemnity for hon. members in this House.

They have ranged even wider than that. In just about every instance I find that a change in government policy has taken place, usually in accordance with the views that I have expressed.

My difficulty is this. I do not want to ruin my record, therefore I have to perhaps do some tightrope walking in the future.

But there is one matter on which I would like to offer very sincere congratulations to the hon. Minister of Public Works (Mr. Connell) and that is the great improvement in conditions in the dining room for hon. members in this House.

Last year I stated that I would be ashamed to bring constituents into the House to have lunch with them, or rather pay for their lunches. I can no longer use that alibi or that excuse when a constituent wants to come down here to speak to me.

I hope that the hon. Minister is pushing his plan with regard to the wing that is now occupied by The Department of Education. I do not know how favourably this is looked upon by the hon. Minister of Education (Mr. Roberts), but the sooner facilities for the hon. members in regard to office space are improved, the better it will be and the better we will be able to fulfill our duties.

I want to speak today about the future of municipal government here in Toronto.

Two weeks ago last Friday, I was present in the chamber of the council of the municipality of Metropolitan Toronto and I heard the inaugural address on that occasion given by Mr. F. G. Gardiner, QC, otherwise known as Big Daddy.

I want to make one thing clear at the outset, Mr. Speaker, I do not want to be classified—definitely I do not want to be classified—among those who think or who believe that the Metro government, as it is presently constituted, is the end all and be all for municipal government in this area.

On the other hand, I also do not want to be on the side of those who believe that amalgamation is the answer to the problem. I hope I will not be looked upon as a “mugwump” but I feel that the ultimate and only answer is a course between these two extremes.

Certainly, Metro at the moment is far from satisfactory, that is, the Metro form of government. I think that the people of this area of this great province owe a very great debt due to the efforts of Mr. Gardiner. I, for one, am sorry that he feels it is now time to lay down the onerous burden he has been carrying since the inception of Metro. I do

not believe that Metro would be the success—although in my book it is a qualified success—but I do not think Metro would be the success it has been if it had not been that Frederick G. Gardiner was chairman of the council.

Nevertheless, at the time Metro was instituted, I felt that the Metro form of government was merely a stopgap form of government, a transitional step along the roadway to something completely new for Canada, certainly completely new for this area of the country. Since then nothing has happened to change my mind.

I know that is also the view of most hon. members of the Legislature in the Toronto area. I think that is also the view of the majority of the members on the Metro council, that Metro itself is not the ultimate or final form of municipal government here in Toronto.

I think the reasons for saying that, at the moment, are obvious. There undoubtedly is a great deal of duplication and waste and inefficiency in the Metro form of government, solely and simply because we have all the local governments as well as the central government trying to do the same job in a great many fields.

The multiplication of the Hydro-Electric Power Commission, the present squabble that is presently going on over water rates, the duplication of planning boards and the fights that occur sometimes in regard to them, the duplication that is presently occurring in just about every department in each of the local municipalities as well as with Metro, can lead to nothing but duplication and inefficiency and waste of the taxpayer's dollar.

I am not condemning Metro. I think Metro at the time it was instituted was a very brilliant stroke. I think it was needed. I think that is obvious.

The reason for that is because—in the minds of certain suburban politicians, at any rate—amalgamation was and still is an extremely dirty word.

Because of this opposition, in the suburban areas especially, I feel that it would be most unwise for any responsible legislator in the Toronto area to now advocate amalgamation as such.

Amalgamation, in my mind, in my view—just to get my definition clear, anyway—is a single municipal government for the whole area now covered by Metro. I am not advocating that. I do not think that is the answer.

I feel that the answer to the problem must

be a halfway measure between the present system and amalgamation itself.

Metro, with Mr. Gardiner as its head, has, as I say, certainly fulfilled the aims and the objects of those who designed it. But I think Mr. Gardiner is a very realistic man. Quite frankly, my own personal opinion is that he is getting out at the right time. He is forcing a decision by the people in the area at the right time.

The only trouble is, obviously, the next step, the big jump. Where do we go from here in the Metro area?

I must point out that these are my own personal views; and my views, as I am sure most of the hon. members know, should not be associated with the views of the government. My views in this matter are that Mr. Gardiner's plan regarding the multiple vote system that he has advocated, would merely be another stepping stone, another transitional step. For that reason I feel that his multiple vote plan should be rejected. I feel that the answer now is to form a central type of municipal government here, in the Greater Toronto area.

If people are afraid of the amalgamation tag, and if people are afraid of the Metro tag, then why in the world can we not call it a Greater Toronto government or something along that line? Let them form a Greater Toronto municipal government that will be completely divorced from the local municipalities at the moment.

First of all, what are the bad marks against a system such as that? The only one that has occurred to me is that, by divorcing the two—by divorcing the local government from the central Greater Toronto government—we invariably are going to create friction between the local government on the one hand and the central government on the other hand. But is that a real criticism?

Certainly, all of us at the moment know of frictions and arguments and fights between the local governments and the Metro government, even though they do have representation on Metro from the local government. I do not feel that is a valid criticism at all.

The marks on the credit side of the ledger, for forming a central Toronto government, must be that we have not yet reached the so-called Metro concept in the Toronto area. By Metro concept I mean the feeling by the municipal politicians, by the people in municipal government, that they are dealing with one area and one area alone.

It is not an area that is made up of the city of Toronto, or the township of North York, or the town of Leaside, or the village

of Long Branch. We are talking about a single area.

We are talking about the Greater Toronto area, and it should be looked upon in that manner and in that fashion, not only by those in municipal government but also by the hon. members in this House.

I feel that to bring about a central Greater Toronto government is a necessity, because only in that way can the problems that are Toronto-wide, that are Greater Toronto-wide, be solved. By leaving it at the stage where we still have local municipal representation, and from there into Metro, we will prolong the parochial feeling of local municipal boundaries.

We have to promote a Greater Toronto feeling. The best way of doing this, in my mind, is to promote a Greater Toronto central government.

Mr. Speaker, I want to continue on this discussion when this item next comes before the House. It is almost 6 o'clock. I move the adjournment of the debate.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in adjourning the House, I remind the hon. members that last December we were considering—as a matter of fact, it is difficult to trace in the proceedings at that time the authority for so doing—but nevertheless we were discussing in committee of the whole the matter of the Hydro report. Actually, it was tied on to the last item in the estimates of The Department of Energy Resources which dealt with a statutory assignment, as it were, of some \$1.5 million to rural power; and it was on this basis, by general consent that we were discussing the Hydro report.

At the time the hon. member for Fort William (Mr. Chapple) was speaking. At my suggestion, as we approached some deadline, I believe it was 11 o'clock, he adjourned the debate and the question was then raised as to when we would go ahead with the matter.

The hon. Minister of Energy Resources (Mr. Macaulay) was away at the time, or was going to be away, and we therefore let the matter stand over.

I caused to be discussed with the hon. leader of the Opposition (Mr. Wintermeyer) the matter of proceeding with that item again tomorrow and it was agreed.

If this is satisfactory to the House, if the hon. members would forget the consecutive nature of proceedings and would turn to page 364 of *Hansard* of December 9, they will notice the debate taking place and the remarks the hon. member for Fort William was making at that time.

I would propose, sir, that tomorrow we would proceed with that.

The item in the estimates covering the matter, and upon which this discussion was taking place, really does not require a vote of the House because it is a statutory provision that is placed in the estimates. Nevertheless, it seemed for the time being a convenient vehicle by which we could discuss the Hydro report.

We will go ahead with that and also, if there is an opportunity, with the Throne debate tomorrow.

Wednesday, I believe, has been entirely taken up with committee work. Thursday, sir, I would like to proceed with the estimates either of The Department of Public Welfare or The Department of Transport, with a night session if necessary.

There are items, of course, on the order paper which we can deal with as we go along—bills and matters of that sort. I will not name them other than to say this; if hon. members find certain items inconvenient, we will hold them over.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.05 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, January 31, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, JANUARY 31, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as our guests in the east gallery, students from the John R. Wilcox public school, Toronto.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I have here a message from the Honourable the Lieutenant-Governor (Mr. Mackay) signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of certain sums required for The Department of Agriculture, The Department of Labour and The Department of Lands and Forests for the year ending March 31, 1962, and recommends them to the legislative assembly, Toronto, January 31, 1961.

It was ordered that the message of the Honourable the Lieutenant-Governor, together with the estimates accompanying the same, be referred to the committee of supply.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's fourth report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr5, An Act respecting the city of Peterborough.

Bill No. Pr21, An Act to incorporate Renfrew Victoria hospital.

Bill No. Pr36, An Act respecting the city of Chatham.

Bill No. Pr38, An Act respecting the town of Cochrane.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr1, An Act respecting the Ottawa civil service recreational association.

Bill No. Pr2, An Act respecting the city of Niagara Falls and the township of Stamford.

Bill No. Pr20, An Act to establish Reuben Edwin Cleghorn foundation.

Bill No. Pr35, An Act respecting the city of Peterborough.

Your committee would recommend that the fees less the penalties and the actual cost of printing be remitted on Bill No. Pr20, An Act to establish Reuben Edwin Cleghorn foundation.

Mr. Speaker: Motions.

Hon. L. M. Frost moves that when this House adjourns the present sitting thereof it do stand adjourned until 3 of the clock on Thursday afternoon.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Orders of the day.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I remind the House that in accordance with the motion I made a moment ago, when we adjourn tonight we do not assemble again until 3 o'clock Thursday afternoon.

We suggested yesterday that we proceed with the estimates of The Department of Public Welfare on Thursday at 3 o'clock.

Mr. D. C. MacDonald (York South): In that connection may I ask the hon. Prime Minister a question? He is likely not aware of the fact that there are some portions of these estimates that certain bodies, particularly the social planning council in the metropolitan area, are so interested in that they have called a meeting for Friday night to meet with all the local hon. members. And now—inadvertently, I am sure—the estimates are being called the day before, so that the value of that meeting will be lessened. Is there any possibility of having The Department of Transport

estimates coming up Thursday rather than those of The Department of Public Welfare?

Hon. Mr. Frost: I would say to my hon. friend that I am familiar with the meeting which the persons interested are calling, and I think the matter will be taken care of in the estimates of the hon. Minister (Mr. Cecile), which should please everybody.

Mr. MacDonald: Well, we will reserve judgment until we hear it.

Mr. J. J. Wintermeyer (Leader of the Opposition): May I ask a question of which I believe I have given technical notice?

Mr. Speaker, in view of the announcement by the hon. federal Minister of Finance (Mr. Fleming) in the House of Commons last evening, that the federal government is convening the federal-provincial conference on February 23 and 24, would the hon. Prime Minister tell this House if he intends to present his budget in the week of February 14 as announced last week, or is he planning to postpone the budget presentation until after the conference?

Hon. Mr. Frost: Mr. Speaker, the hon. leader of the Opposition has been good enough to give me this question to which I have given consideration. I incorporated it in my reply as follows:

The hon. leader of the Opposition has asked me the following question: In view of the announcement of the hon. federal Minister of Finance in the House of Commons last evening that the federal government is convening the federal-provincial conference on February 23 and 24, would the Prime Minister tell this House if he intends to present his budget on February 14 as announced last week, or does he plan to postpone the budget address until after the conference?

As I say, I received this notice this morning. About the same time I received the following letter from the Rt. hon. Prime Minister of Canada:

Ottawa,
January 30, 1961.

THE HONOURABLE L. M. FROST, Q.C.,
PRIME MINISTER OF ONTARIO,
TORONTO, ONTARIO.

MY DEAR MR. PRIME MINISTER:

The Dominion-provincial plenary conference called to discuss fiscal arrangements for the period following March 31, 1962, adjourned on October 28 last to meet at the call of the chair. It seems appropriate now that steps be taken to reconvene the conference.

I propose that the meeting be resumed in Ottawa, February 23 and 24. I am sure that all governments have been studying this important subject

further with a view to arriving at a satisfactory and workable understanding.

The suggestions which I placed before the October conference included the principles of equalization based on fiscal need and the stabilization of provincial revenues.

The federal government is also prepared to make provision for a growth factor in the equalization formula. It is our hope that agreement may be arrived at on the basis of these principles.

I realize that on account of the sittings of Parliament and the Legislatures this is a very busy time for us all. I hope, however, that you will find it possible to be present at the reconvened conference on Thursday, February 23, commencing at 10.00 a.m.

If these dates are not regarded by the majority of the provinces as convenient, I would suggest alternatively March 23 and 24.

Yours sincerely,

(Signed)

JOHN DIEFENBAKER.

I immediately accepted by telegram the February 23 and 24 dates.

This brings me to the answer to my hon. friend's question. It is very obvious that the Rt. hon. Prime Minister's letter has to be read in the context of the statement made by the hon. federal Minister of Finance in the House of Commons yesterday afternoon and evening, January 30.

The only account I have of this is that which appeared in the morning paper, a copy of which I have here. I have sent for a copy of the *Hansard* statement which was made by the hon. federal Minister of Finance.

As a matter of fact, I phoned the hon. Attorney-General (Mr. Roberts) who is in Ottawa today, to ask him to bring it to me and I do not think it would be proper that I should make a statement, in relation to the proposal I made concerning the introduction of the budget on or about February 14 next, until I have read the same.

I hope that on Thursday afternoon, 48 hours from now, I shall be able to deal with this matter; and I shall, at that time, give an answer to the question of my hon. friend.

Mr. R. M. Whicher (Bruce): Well, Mr. Speaker, I realize, of course, the hon. Prime Minister has to read the whole statement of the hon. federal Minister of Finance, but I was wondering if he would care to make just a small statement as to his feelings—whether he agrees with the announcement that the hon. federal Minister has made regarding the taking into account the gross factor in the equalization payments to the province?

Hon. Mr. Frost: Oh no, I would prefer to make a considered statement on that. If the hon. member will wait until the day after tomorrow I will try to do a good job.

Mr. Whicher: The only trouble is, the hon. Prime Minister has made many statements in the past; surely he would not backwater now?

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the annual report of The Department of Highways of the province of Ontario for the fiscal year ending March 31, 1960.

Hon. R. Macaulay (Minister of Energy Resources): Mr. Speaker, before the orders of the day, I would like to table a report, which has been prepared by my department, entitled *Origin of Ontario's Energy Supply*.

I indicated to the House when I was presenting the estimates of The Department of Energy Resources that this report, together with several others, was under preparation. It has now been printed and I will have it distributed to all hon. members today.

This is the first report of its kind dealing with the energy resources in this province, and I hope it will be useful to the hon. members, as well as readable. I am sure there are organizations which will find this of value and I make it now available to all of the hon. members with the admonition in mind of the hon. leader of the Opposition who felt that there were a number of technical studies and much information which should be made more readily available to the public. I hope that will meet, to some extent, his observation.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third readings, upon motions:

Bill No. Pr4, An Act to incorporate St. George's college.

Bill No. Pr13, An Act respecting Meadowvale botanical gardens.

Bill No. Pr15, An Act respecting the city of Port Arthur.

BOARD OF TRUSTEES, PORT COLBORNE ROMAN CATHOLIC SEPARATE SCHOOLS

Mr. E. P. Morningstar moves second reading of Bill No. Pr3, "An Act respecting the board of trustees of the Roman Catholic separate schools for the town of Port Colborne."

Motion agreed to; second reading of the bill.

TOWNSHIP OF CALVERT

Mr. R. Brunelle moves second reading of Bill No. Pr18, "An Act respecting the township of Calvert."

Motion agreed to; second reading of the bill.

Hon. L. M. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

House in committee of supply; Mr. W. E. Johnston in the chair.

RE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

Hon. L. M. Frost (Prime Minister): Mr. Chairman, just before the hon. member for Fort William (Mr. Chapple) goes ahead, might I point out that this matter comes up under the estimates of The Department of Energy Resources? As a matter of fact, these estimates stand on the order paper as being completely passed.

I think that is due to the fact that the last item in connection with capital disbursements, relative to payments for rural Hydro, is a statutory matter and is not covered actually by a vote of the House.

This leaves us in the rather peculiar position of discussing a matter in relation to an estimate which really does not exist in many ways. Actually, the estimates of The Department of Energy Resources have already been reported.

I only raise that to point out to the hon. members of the House the position in which this discussion is taking place. The hon. Minister of Energy Resources (Mr. Macaulay) filed or tabled, some weeks ago, the report of the Hydro-Electric Power Commission.

This is in an effort—as a matter of fact, it is not an effort, it is more than that—to meet the requirements or the suggestion made by the hon. members of the House that the Hydro report could be debated, and we have taken this method of so doing.

I would say to the hon. members that this method probably is one which can be bettered. I wish the hon. members might give that consideration.

They will see the problem, for instance, of making every item that is tabled here a matter of debate; if this were so, obviously, we would never finish. The hon. Provincial Secretary (Mr. Yaremko) usually files two or three reports a day and I doubt that the

method is to put those items on the order paper.

On the other hand, I do say that, in a matter as far-reaching and as important as Hydro, it does seem to me that there should be the opportunity to discuss Hydro and discuss its report.

I would say to the clerk of the House and, through him, to the hon. members that this is the method we have adopted to meet the situation. I think we can proceed on this understanding.

It is again, as I say, an expedient to act on a suggestion made by the hon. members of the House; which, I believe, was contained in some of the reports made to the House.

Mr. J. Chapple (Fort William): Mr. Chairman, I would like to thank the hon. Prime Minister for allowing me this opportunity to say a few words in this regard. It gives the hon. members of the Opposition a chance to at least give their views on something that I believe all of us are very interested in, and on which we should have definite ideas—particularly since we are the elected representatives of Ontario.

So as not to wander, and give a disconnected interpretation of my views, I would like to read this statement which I prepared; and it is something to which I have given a great deal of thought:

In its capacity as a publicly-owned commission, Hydro has adopted certain policies which, although based on those used by business, have been unorthodox for an organization such as Hydro. As operated, Hydro is a very competitive body, using every advantage it has without carrying out its full responsibilities required by its position as a huge, publicly-owned commission.

In this connection, I would like to bring to the attention of the House the now discontinued policy Hydro had in force which allowed its employees to buy their electrical appliances from manufacturers at cost. This was based on the premise that more people would buy appliances, and thus indirectly encourage the use of more electrical power.

Traditionally, the retailer is the vehicle for the sale of electrical appliances, and he has moved them by huge, country-wide sales and from local distributing points. Hydro only succeeded in subsidizing its employees at the cost of the ordinary purchaser; something which a legitimate retailer would never think of doing.

Retailers must be on guard that their policies are fair to all or, as many of them

have learned, they will be forced out of business.

When one makes a special deal with one customer, all one's customers are going to expect the same treatment. If this is not forthcoming, those not receiving it will lose confidence and deal elsewhere.

Hydro underestimated the ability of retailers to sell electrical appliances. The retailer is making a living at this job, and knows that only through volume can he do business on this keenly competitive market.

The advantages which Hydro took of the retailer, who by the way pays a large percentage of his profits back to the government in taxes, was uncalled for, and did not appreciably increase the sale of appliances. Because of the large number of Hydro employees it just undermined the basic structure of our business economy and made the retailer suspect in his dealings with the public.

Hydro's basic policy in its relation to the sale of power is to make all its projects, large or small, pay Hydro's operating cost and as large an operating profit as possible; this, without taking into account its full obligations to those users who wish power at a competitive price, or those who are unable to obtain power because Hydro decides that it is too costly to supply.

Are the policies, which this government-supported monopoly follows, to be allowed to function regardless of the political and economic needs of the province? Or is the government going to determine that Hydro has a certain responsibility and cannot ride roughshod, refusing to take its full share in developing Ontario?

This attitude is particularly flagrant in northwestern Ontario where the area to be served is extensive, and the number of users are few and far between. Here Hydro's policy has worked many hardships, as I mentioned when speaking on this subject last fall.

There are several users of power in northwestern Ontario which are sources of very profitable revenue to Hydro. Why then cannot Hydro be responsible for supplying power to the village of Upsala, the trans-Canada highway area and the vicinities around Shebandowan and Cashabowie, to name a few?

The work Hydro has done in servicing the farmer proves that this sale of power can be very profitable. Dairy farmers, especially, require a very considerable quantity of power in their operations if they are to fulfill government regulations, especially in regard to proper milking equipment and cleanliness,

bulk tank cooling, barn cleaning equipment, and so on.

The surprise of the hon. Minister of Energy Resources that the average farmer is using more electricity than the average city consumer, is no surprise to me.

If Hydro is to accept all the advantages received from capital investment paying off almost indefinitely, then it should be made responsible for the phases which do not, immediately at least, meet operating cost advantages.

In northwestern Ontario, particularly, a very niggardly policy has been in force for some time. Many complaints have come to me, and I think that the commission should be operated much closer to the direct needs of its customers, and assume the responsibilities which it was intended to follow at its conception.

No business, large or small, can succeed—no matter how monopolistic it may be—unless it is responsible to its duties as a servant to the public. This is one of the first things I learned as a retailer and businessman, Mr. Chairman.

Is Hydro going to accept its responsibilities, serving the public through their elected representatives, or is it going to continue to ride roughshod over all users, regardless of their ability to pay or their importance to the economic growth of the province?

What about Hydro's rate of growth expansion? The policy which Hydro uses to expand is diametrically opposed to the ability of the users of power to grow and expand. This can be a drastic trend, ending up with Hydro forced to curtail its planned expansion and in some areas even its operations.

Is this projected expansion of Hydro power necessarily feasible? In other words, is there any guarantee that the same rate of growth increase will continue in the province?

If not, the province could be saddled with a high power potential with no way of collecting sufficient revenue to reduce astronomical capital projects and expenditures.

We are now committed by this government to the present expansion policies of Hydro. Let us hope we will not be sorry that we accepted this tremendous obligation which could strap our credit position and tie our hands in some future crisis.

Hon. R. Macaulay (Minister of Energy Resources): Mr. Chairman, I understand that the hon. member for Wellington South (Mr. Worton) also wishes to speak on this matter.

Mr. H. Worton (Wellington South): Mr. Chairman, I am interested in this booklet which was sent out to the hon. members a week ago; and I wish to question items Nos. 4 and 6.

No. 4 points out that no competitive price is ever disclosed to another bidder, and No. 6 states that the competitor is always entitled to inquire from us and to be told why he did not receive the business on which he quoted.

My point in raising this question, Mr. Chairman, is to ask the hon. Minister as to whether it is wise for Hydro to take this attitude when we have other public departments—namely, The Department of Public Works and The Department of Highways—which expose their tender prices to various people in the contracting business. Also, I feel that Hydro is like any other government branch.

They should disclose their figures in order that the electrical industry can compete as to prices and other factors of that nature. It is on those two items, sir, that I would like to have an explanation.

Hon. Mr. Macaulay: Mr. Chairman, I have noted the question of the hon. member. If I may I will deal with it in the order in which these were put to me.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, may I ask for an explanation of a point that is bothering me right now? If the hon. Minister is going to answer a long series of questions that have accumulated during all this discussion, is it his intention, after the explanation has been made, that we will be required to vote immediately on this item or can we raise additional questions that arise out of his explanation?

Hon. Mr. Macaulay: I would say to the hon. leader of the Opposition, that, first, there will be no vote because this is not an item on which there will be a vote, except to move to report progress. I would also say to the hon. leader of the Opposition that I think, in having advanced this far in this way, it would be wise as I finish each one of the general headings, if it seems that I have ineptly or inadequately dealt with it, I would like that fact drawn to my attention.

Now, the first point I would like to deal with is one which attracted considerable attention in the newspapers, dealing with the export of power to the United States. Although this is not a matter which has been directly raised by the hon. members opposite,

it is a matter of some considerable importance and I would like to discuss it for a few moments.

Ontario Hydro generates electricity which it distributes to the entire province, and it is consumed by different types of customers. But some power, in addition to the power that we consume in this province, is sold to other jurisdictions, notably to the New York power authority. That, we would call export power.

In addition to this export power there is what one would call involuntary export power.

Let me describe it in this way. If we export power to the United States intentionally, there is a sales tax, or excise tax upon the sale of that power. On the other hand, we are connected with various other provinces and the United States by what are called ties or interconnections. Electricity has a characteristic of water, in that it moves to the area of least resistance the same as water runs downhill. Therefore, although we may not want to export power to the United States it will export itself anyhow if, on the other side of the connection, there is industry drawing it across the interconnection. At Cornwall, for example, or rather at Massena on the American side, where there is heavy concentration of American industry, there is a tendency for some of our power generated at Cornwall to flow across the river and towards the area that is using it up—just as water would flow downhill so power will rush forward into an area where it is being consumed.

Mr. Wintermeyer: What would be the transmission facilities?

Hon. Mr. Macaulay: There is what we call interconnection—lines tying our two systems together, so that if we are short of power we can import it from the United States. If we have power for sale—that is, from hour to hour and minute to minute—we have excess power. This excess power we can sell to the United States. In this way, we can balance our two systems and make the most economic use of our plant.

Now that is the situation at Cornwall.

The situation at Niagara Falls is the reverse. On the Canadian side in the Niagara region we have a heavy concentration of industry. It tends to suck over or pull the power being generated on the American side into our system. Now this is what one would call, in effect, an involuntary import—or export—of power, as the case may be.

Have I made my point clear? What tends theoretically to happen is that the power goes around in a big circle. On the one end it goes over to the United States, back on the American side, over to us, and goes around in a circle. This is because power and electricity tend to move into an area of least resistance, namely, an area that is consuming it. When this electricity crosses at this interconnection, the federal government nevertheless imposes an excise or sales tax on this power.

The representations we are making to the federal government are that there should be no such excise tax, either on the export voluntarily of power or on the involuntary export of what is called circulating power.

Let me give an example which shows how serious the matter is.

In 1961, we estimate that Ontario Hydro will pay an export tax on this circulating power of approximately \$400,000. In 1962, it will go up to \$675,000. In 1963, up to \$690,000.

This is a tax which has for some years been imposed upon all electrical utilities in Canada exporting any power. I maintain in this House, to my hon. colleagues, that it is improper for the federal government to impose—I am submitting it is improper—an excise tax upon the export of electricity manufactured in Ontario on behalf of and by a public organization. This really constitutes a taxation by the federal government of another government or agency of the government. I think we should deal with the matter seriously and discuss it in this light.

Mr. D. C. MacDonald (York South): If there is a problem of that nature, why did the government not include Hydro in The Crown Agencies Act?

Hon. Mr. Macaulay: Pardon me?

Mr. MacDonald: Why did the government not include Hydro in The Crown Agencies Act of two years ago? It was designed presumably for one purpose—to keep the federal government from taxing emanations of the Crown in Ontario.

Hon. Mr. Macaulay: I am not able to answer that. The hon. member will have to deal with the hon. Attorney-General (Mr. Roberts), I think. That is likely one of the bills that he sponsored. But I would—

Mr. MacDonald: He must have conferred with Hydro when he left Hydro out of The Crown Agencies Act.

Hon. Mr. Macaulay: That may well be, but I would say to the hon. member this no doubt in turn was subject to various negotiations and arrangements with the federal government. It may very well be that no Act of this House can deprive the federal government of an area of taxation. I think frankly that that would be the case, otherwise we would be amending The British North America Act by a unilateral decision of this Legislature.

Mr. MacDonald: Well, then, The Crown Agencies Act is of no effect.

Hon. Mr. Macaulay: I would conclude that The Crown Agencies Act is an Act which was approved and will be honoured by the federal government, but they may not necessarily be obligated to do so. Alternatively the Act was simply an Act designed to delineate those companies or organizations which are intended to be freed of taxation after having negotiated such freedom with the federal government. Otherwise, it is quite apparent that by a single Act of this Legislature, an amendment could be made to The British North America Act affecting the federal government's power to tax.

One of the fundamental problems involved in electricity, of course, is that any large system such as Ontario Hydro has to predict what the load is for 3 or 4 years in advance. It takes that long to create the generating facilities.

If the demand does not evolve as anticipated, which is the case in this province in recent months, then the system is going to be left with a quantity of power which is available for export or sale, the price of which will go towards the reduction of the cost of power to the customers of the province.

There is, at the moment, a certain amount of surplus power in this province. In the southern Ontario system, and in northeastern Ontario, there is a surplus of energy of approximately 3 per cent, and there is a surplus of peak power of 11 per cent; in the north-western division of Ontario there is a surplus of peak power of 40 per cent, and a surplus of energy power of 32 per cent.

This is from hydraulic sources, not from thermal sources, because thermal stations are put into operation in order to fill the gap and they, by burning coal, find themselves in a different category to a hydraulic plant where the water is running down the river whether it is used or not.

The situation, therefore, is that, with this surplus power, Ontario Hydro finds a market

outside the province to earn part of its income.

The cost of producing and delivering this export or surplus power is very small, provided there are buyers beyond our borders who will purchase it.

Coal can be stored forever, water cannot be stored. Therefore, when we want power from a thermal or coal plant we simply burn the coal; but, with a water plant, the water is pouring over the dam in any event and it does not take much more to hitch up the horses, in effect, and take advantage of the power that the water creates.

We have a very technical and highly skilled staff who are really the marketeers of our surplus power. This requires very special skills. It is like a fast-moving brokerage type of operation.

There are traders, known as production supervisors, who are on duty 24 hours a day, 365 days of the year.

They prepare estimates of the next day's loads, hour by hour, taking into account how fast the growth is in the area, whether there are holidays, what the temperatures are, whether there are strikes in particular areas or other employment layoffs, what the weather is like, and so forth.

When they have calculated what the estimates require for the next day, they have an idea of how much power they are going to have available to dispose of beyond their own needs. Then they contact their counterparts at Niagara-Mohawk, Detroit-Edison, and the New York power authorities, to see what prices any of these companies will pay for this extra power which is available. Then they prepare what are called hourly loading schedules for the interconnections at the systems; and, if emergencies arise, the export can be stopped immediately.

The sale of this power, Mr. Chairman, is an hour-to-hour proposition and it can be used only by another utility. This gives benefit to our own system, because, as I recall last year, there was about a \$3 million revenue achieved in this way.

Mr. H. C. Nixon (Brant): How much did we pay for power that came from the United States?

Hon. Mr. Macaulay: I will look that up, but I would think that we likely bought no power last year from the United States or very, very little.

However, as the hon. member for Brant knows, we have been using the American share of the water at the Niagara gorge until

such time as the New York power authority plant comes into operation; so, in that sense, we have been paying them for the use of their water.

Otherwise, I do not think we purchased any power from the United States this last year; but I will have somebody check on that for the hon. member.

Mr. Wintermeyer: Mr. Chairman, will the hon. Minister explain why the same situation would not prevail in the United States? Presumably they would have surplus power.

Hon. Mr. Macaulay: No. Most of the power of the United States, or at least a great portion of it, is thermal power. They do not have a surplus of power when it is created by thermal power, because if they are going to have more power than they can use, they just do not light the fires and create the steam to drive the turbine.

Mr. Wintermeyer: Can this be controlled day by day?

Hon. Mr. Macaulay: Yes, this can be controlled day by day. My recollection is that—I have a memorandum somewhere on this—I asked the same point. I think it depends on what temperature they want to get the steam up to, but it is about an 8-hour proposition to get the plant up to a certain production.

Mr. Wintermeyer: Mr. Chairman, while I am asking—and have interrupted the hon. Minister—may I ask him the price at which this surplus power is sold to the United States? Is it more or less than what we charge for similar power right here in Ontario?

Hon. Mr. Macaulay: It would be less than the price that is obtained in the province of Ontario, but it should be understood why—it is interruptible power and can be cut off like that.

Nobody wants to create an industry that can be cut off like that; but they have other sources of supply, and if they know we are going to cut them off they simply start up their steam generation. Then, when we know we are going to give them some, they can let their fires go down and they produce less electricity.

Mr. Wintermeyer: Can that be stored in any way?

Hon. Mr. Macaulay: We can store electricity in some other form than that in which it is used, namely, in terms of coal.

We are storing the potential of electricity in terms of coal.

It can be stored also by pumping water up a hill and holding it in a great reservoir, and this is going to be an immense future for Ontario Hydro.

What you do with it is this—this is an oversimplification, from a layman's point of view—while you have got some power to spare, you use it for pumps to pump the water up into a big reservoir; then, when you have not power to spare, and you need lots of power, you open up the tap and let it all come back down through a generator and it creates more electricity.

We are doing that, as hon. members know, at Niagara Falls, Adam Beck No. 2 station. When I say a reservoir I mean something in hundreds of square miles.

If I may just go on—in relation to circulating power and the export of power—I want to finalize this point by putting it as carefully as I can to the House.

There are two types of power which we are exporting: power which we intentionally export; and power which, because of the very nature of our two systems being tied together, is called circulating power. This involuntary power goes out one end and another amount may come in another end; we are paying an excise tax on it and we believe that that is not a proper application or intent of the Act.

Mr. Nixon: May I ask the hon. Minister, before he leaves that, what is the amount of the excise tax in percentage? If Hydro is receiving \$3 million and paying \$600,000 tax, that is a pretty high tax, is it not?

Hon. Mr. Macaulay: Well, they are two different things. The \$3 million that we are receiving is the sale of our intentional export power. We paid to the federal government last year about \$1 million in this tax.

The tax is three one-hundredths of one cent per kilowatt hour. It is a very difficult thing to picture in the mind's eye; it is not like 35 cents an apple or something like that.

Mr. Nixon: What is the 11 per cent sales tax, for instance? The hon. Minister called it a sales tax at first.

Hon. Mr. Macaulay: Well, actually, I think a tax on an export is called an export tax, and I think that is the phrase that I should more aptly have used; an export tax or an

excise tax, but I think it is referred to as an export tax.

Therefore, in relation to an intentional export, there is a tax which, our representations are, the federal government should abandon; and secondly there is an involuntary export.

Mr. V. M. Singer (York Centre): Might I ask the hon. Minister if representations have been made to the federal government?

Hon. Mr. Macaulay: Yes, they have. This has continued for a number of years.

Mr. Singer: Are they being made presently?

Hon. Mr. Macaulay: Yes, they are being made presently and they were made before the energy board by our counsel just a matter of a few weeks ago. That is why I have raised it in this House, so that the House would be aware of the matter.

Mr. Singer: Under the jurisdiction of which hon. federal Minister?

Hon. Mr. Macaulay: Well, finance comes under the jurisdiction of the hon. Minister of Finance (Mr. Fleming), and the department which administers the energy board, as I recall, is The Department of Trade and Commerce. So both departments are basically involved.

Mr. MacDonald: Mr. Chairman, this is a question I would like to have clarified: Does Hydro get paid for the involuntary export?

Hon. Mr. Macaulay: No. That is exactly the point. The Americans have the same kind of problem; whether they in fact pay any tax on it, I do not know.

Mr. MacDonald: Perhaps the hon. Minister and I can go out and have a private discussion on this some time. There is some inconsistency in his argument. He says, on the one hand, that there was no discussion that he is aware of to include Hydro in The Crown Agencies Act. Yet a few minutes before that he made the comment that it would be unfair for the government to be able to tax another government.

Hon. Mr. Macaulay: I did not say anything about one government taxing another being unfair. I simply maintain that, in view of the fact that this is a system which is owned by the public which raises monies borrowed from the public which operates at cost without profit, I think it is unjust that Hydro

should be paying any tax on involuntary disposition of electricity over which it has no control simply because it has certain interconnections with the American system.

I think, in addition, if that follows, it may be fair to advance the argument one step further and say that it is unfair or unjust for Ontario Hydro to be paying any tax in relation to its export of power, particularly when it cannot store the power. It would be awfully silly just to let the water go on down when there is a market where it can be disposed of.

Now, the second matter that I wanted to refer to is one which has been touched on by a number of hon. members, including the hon. leader of the Opposition, the hon. member for Fort William, who spoke a moment ago, and also, of course, the hon. member for Kenora (Mr. Wren). This is a very involved subject; I am sure the House is aware of that. I will refer, if I may, to the problem of rates.

A year ago, when I was speaking in the House, I spoke for about an hour and a half on the result of work that I had been doing for a number of months to prepare a speech on how these rates are calculated. It is an extremely involved subject, particularly for a layman such as myself. I would, however, like to deal with this now to the best of my ability.

The hon. leader of the Opposition, in dealing with this matter, made a number of statements to which I think I shall refer and which more or less bring this matter into focus.

He said, and I quote:

In northern Ontario, Mr. Chairman, I can make reference to the chamber of commerce meeting at Dryden, at which time the vice-president of Steep Rock pointed out the power increase to the industrial user in northwestern Ontario, and particularly Steep Rock, means about \$7,300 a month—and for all companies there, over the period of a year, about \$200,000. For the whole of northwestern Ontario, the additional industrial cost will be about \$1 million.

The additional points which were raised were those by the hon. member for Wentworth (Mr. R. C. Edwards), who wanted me to discuss the aspect of depreciation and to explain how rates are established.

There are 4 general kinds of customers.

First, there are the industrial customers who are supplied directly by the province; second, there are the municipalities which are supplied directly by Ontario Hydro, as

are the industrial customers; third, there are the domestic customers in the municipalities supplied by the municipalities, and, fourth, there are rural customers.

All of these rates are arrived at in very much the same way. They each have a number of elements to which I referred in the speech which I delivered on March 9, 1959, but which I shall touch upon again.

First of all, for a layman, it is essential to distinguish between what is energy power and what is peak power. They are both electricity, but they are delivered at different times. The amount of peak is that indicated as the amount of plant which is needed in order to produce the power needed when everybody is at the peak point in the system. The normal or energy rate is the energy which is consumed over the whole period calculated in numbers of kilowatt hours.

The costs of electricity, Mr. Chairman, are arrived at after totalling 9 different ingredients. Just as a cake contains an egg and salt and this, that and something else, so a rate to a customer has 9 different ingredients. When the total of those ingredients are added together, that is the rate which a consumer pays.

These are the 9 different elements:

First, there is an element called the generation element. In short, it costs money to create hydro-electric plants and thermal plants to generate electricity. So there is a generation cost. This is a pooled cost which simply means that it is paid by every customer and enters into every customer's rate.

One-half of the cost of generation is charged to the demand energy of a customer and one-half is charged to energy. That is to say: If the customer takes at his highest point of consumption in the year a certain amount of electricity, that is an element of the generation rate as well as the total amount of energy which he actually consumes. So the generation cost which goes into the rate is a pooled cost, charged half to demand and half to energy. Generation includes the upward transmission.

I should point out to hon. members that electricity is generated in this province at low voltage. The generators turn and electricity comes off at about 13,000 volts. But to carry electricity any distance—or any considerable distance in any event—without losing too much of it, it is necessary to step it up to a higher voltage. It is like turning the tap wider so that the substance under pressure goes through the system under greater pressure. As a result, there is less electricity lost en route.

Therefore, when electricity is generated at 13,000 volts, or thereabouts, it is then stepped up to 230,000 volts by transformers. Then once it has been stepped up to 230,000 volts, it is carried by the high tension line—for example, from Niagara to Toronto—where it may be used.

It will be brought, at 230,000 volts, to a transformer station outside of Toronto, let us say—although that is not the best example because in Toronto it is brought, in most cases, right in. Let us say Hamilton or St. Catharines, or some other city. It is brought to the border and stepped down again, as this is just too much power for anybody to be able to use.

It may be stepped down several times before it is finally distributed into the factory or the home. Thus there is the generation, the step-up, the push-along, the step-down, until you get down to the level at which the power itself can be used.

So there is a cost in generating the power, and in stepping up, and in sending it along, and in stepping down; there are 9 different elements that go into the rate that is charged, and they are attributed to these various items to which I have been referring.

First, as I have said, it costs money to generate the power to start with, so all the rates have to bear some of that cost. Then that cost includes the stepping up of it so that the second element which goes into the cost item is that of transmission, carrying it at 115,000 or 230,000 volts some considerable distance. This again is pooled; it is a pool cost. The total cost of high transmission in this province, in short, enters into every single rate. It is pooled on a system basis. There are 3 systems.

Mr. Wintermeyer: How does Hydro make that determination?

Hon. Mr. Macaulay: In the case of transmission it is done on a demand basis as far as each system is concerned, as far as Ontario is concerned.

Let us take, for example, a municipality. If a municipal electric system operates on the basis that it needs to have power at its highest moment, at the moment of its greatest consumption, that is what will determine how big the hose has to be to get the electricity there. What it needs at just the highest moment of consumption is called "the peak."

If peak is, let us say, 2,000 kw, and the total peak of the whole system is 3 million kw, and the transmission cost is some millions of dollars, then divide the 2,000 into

the three million and divide that fraction into the million-dollar cost of transmission. In this way, you know immediately what is the municipality's share of the transmission cost in the system.

That is what is done for each municipality—for every single one.

Mr. R. M. Whicher (Bruce): With the exception of rural hydro.

Hon. Mr. Macaulay: Pardon?

Mr. Whicher: With the exception of rural hydro.

Hon. Mr. Macaulay: No. Rural hydro is done on the same basis, but it is treated as a whole rather than groups of units.

Mr. Whicher: Well, that is what I meant.

Hon. Mr. Macaulay: No. The hon. member said "rural hydro," not "rural areas."

Mr. Whicher: Well, I am sorry, rural areas. I think they would be the same.

Hon. Mr. Macaulay: No. Rural hydro means all of the hydro through rural Ontario. A rural area may be a particular area in rural Ontario.

Mr. Whicher: Yes, well then, with the exception of rural areas.

Hon. Mr. Macaulay: No. In one rural area and another rural area, the rate is exactly the same. It may cost more to supply power to one rural area than to another rural area, but the price is averaged over the total cost to all of the rural areas, so that all of the rural areas pay exactly the same price.

Mr. Whicher: Well, that is what I mean. The hon. Minister does that with the rural areas but not with any other kind of hydro in the province.

Hon. Mr. Macaulay: That is correct. But, on the other hand, we are approaching it closer and closer each year as we pool these things across the systems.

At one time there were great advantages to a municipality which was sitting right beside a generating station. It did not have to pay anything towards the transmission, and therefore it had a much more favourable rate. But, if a province is to develop as a whole—to be an integral whole—it is only fair that these opportunities be given to everyone in the province and that these rates be gradually pooled.

Mr. Whicher: Does the hon. Minister agree to pool the rural rates with the municipalities then, too? Everybody pay the same?

Hon. Mr. Macaulay: This is a decision which the municipalities themselves would have to make. This is a point that I will come back to in due course because this is a matter on which the hon. member himself has spoken, as well as others in his party. In fact, it was one of the planks of the Liberal platform in the last election to reduce rural hydro rates by 25 per cent.

If rural hydro rates were to be reduced by 25 per cent, or by any other percentage, there are only two ways that it can be done. One, by reducing them by 25 per cent, but then somebody else has to pick up the tab. Now there are only two places—

Mr. Wintermeyer: Is that right?

Hon. Mr. Macaulay: That is correct.

Mr. Wintermeyer: In Russia today, they are producing hydro a lot cheaper than we are.

Hon. Mr. Macaulay: Pardon me?

Mr. Wintermeyer: In Russia today, I understand, they are producing hydro a lot cheaper than we are. They are doing it in Quebec, too, I understand. Why can we not do it here?

Hon. Mr. Macaulay: Well, I would say, with great respect to the hon. leader of the Opposition, that that is not correct; and if he will allow me to develop this matter, I will come to it in what I hope he will consider to have been a fair way in covering the whole subject.

If I may go back, there is the cost involved in generating the electricity, in stepping it up, and in the transmission of it.

Then, once the power has been carried in bulk for a distance or over a distance, we come to some step-down station—because you may carry it in bulk to a point where you have branches going off and you will step the power down and build a transformer station. This would be to step the power down from, say, 250,000 volts to perhaps 44,000 volts and then spread it out and carry it again—there is this further additional cost of transmission.

Then you may come out to what is the end of the finger, and you may want to split it again and have further local transmission cost. The power will still be too strong, at too high a voltage, to be used, and therefore it will have to be stepped down again.

There are also the costs involved in the divisions of the Ontario system. There are 5 divisions: the Niagara division, the Georgian Bay division, eastern division, northwestern Ontario and northeastern Ontario—and each one of these has its own management costs. Depending on which division a customer is in, he will have added into his bill a certain proportion of the division cost.

Then there will be certain customer costs. The municipalities will have to add, to the power rates we have charged them, their own distribution costs; and that will form part of the rate also.

Also, there are two other elements we have carried out—completed, in this province, the frequency conversion programme—one of the largest engineering undertakings in the world. This has to be paid for, and a certain amount may be added to the bill of the municipality or the industry, depending on which areas we are talking about, depending on the division in which the customer is located.

The last item, the ninth, is what one would call the amount added to the bill under the heading of “contingency,” such as reserve for stream flow. A certain fund has to be set aside against which can be claimed a loss if the Canadian dollar is below par.

We may borrow in the United States, for example, with the Canadian dollar at a premium; repay it when the Canadian dollar is below par—in which case an adjustment would have to be made, and there is a fund for that.

We also self-insure against calamity, explosion and fire for most of our own plants; it is essential to establish some reserve in this connection.

There also has to be some provision for premature retirement of plants.

When all of these are added up, Mr. Chairman—generation, transmission, low transmission, local transmission, transformation, divisional charges, customer costs, the cost of frequency standardization, and the contingency costs—those 9 items produce the price at which a kilowatt of electricity is sold.

These, then, are the items and some of them are determined, as I say, on the basis of your peak demand, divided into the total peak demand of the system. This is then divided into the cost of the plant involved.

If the total number of kilowatt hours in the system is, let us say, 6 million, and your peak is one million, and the cost in relation to the plant under consideration is, say, \$100 million; again you will divide it in exactly

the same way as you determine costs in connection with energy rates.

Mr. A. Wren (Kenora): May I ask the hon. Minister, at this point, when he is discussing the 9 points in relation to the province of Ontario, if he is including the whole province or just the southern part of the province?

Hon. Mr. Macaulay: No, I am including the whole of the province where the whole of the province is intended. For example, generation is for a whole system. A pool cost is over the whole of each system. There are 3 systems. High transmission is a pool cost over each system also. The first lower transmission is a pool cost in the division. The local transmission is a local cost. Local transmission is a local charge to a municipality involved and not a pool cost.

Transformation would be the same thing; it is on a divisional basis. Divisional charge is obviously on a division. Customer charge is in relation to the individual municipality. Frequency has been on a division basis with the Niagara division only now contributing towards it; and the contingency is on a system basis.

Mr. Wren: My point there was that the costs of frequency stay in a division; they are not necessarily spread over the whole province.

Hon. Mr. Macaulay: No, that is correct.

Mr. Wren: Division by division, is it?

Hon. Mr. Macaulay: Yes, sir. There is a long background to this undertaking of frequency standardization which we can go into at another time if the hon. members are interested in it and want me to. Some divisions already were at 60 cycles and obviously there is different treatment for them than some that were at 25 cycles.

Mr. Chairman, during the debate, the hon. member for Wentworth suggested that if Ontario Hydro did not have as high a depreciation rate as it had, or, alternatively, retired its debt over a longer period of time, our rate could perhaps be reduced. In any event, he was throwing this out as a suggestion. I think that is what he intimated.

Mr. F. R. Oliver (Grey South): Before the hon. Minister starts into a new phase of his remarks, would he tell the House the variants that exist in the generation costs as between water power and thermal development?

Hon. Mr. Macaulay: Yes, I would say to the hon. member, first, let us group all of hydro

power together. That is, as he described, water power. Then there is, secondly, thermal power. But thermal power can be power produced from burning gas, burning coal or burning nuclear energy. They are using nuclear energy. Therefore, when the hon. member says thermal costs, he should delineate which one, but I assume the hon. member is referring to coal.

Mr. Oliver: Right.

Hon. Mr. Macaulay: Now then, the cost of generation by either method will depend to a large degree, of course, upon how much the plant costs. That is the largest item, how much it costs to build the plant. Most thermal plants can be put where the load exists. Hydraulic plants have to be put where the water fall is. And if the load is not there you have to find a way of carrying the power all the way to the load.

If I may, I will give the hon. member an example. We are building a very large development on the Mattagami river—3 different hydraulic plants. There is no load to use the energy there, so it is going to be brought by a very high voltage line to Sudbury and subsequently to Toronto and the metropolitan area. You must associate that long power line with the cost of the plant, because it is part of it. There is no point in creating electricity there and then not having a way of getting it to the fellow who wants to use it.

The cost of thermal power runs at about \$125 to \$150 per kw to construct the plant, and this produces power at about 6 or 7 mills per kwh. Hydraulic power can cost up to \$400 or more per kw, depending on how big a headpond you have to build and how built up the area is, how much expropriation there is, how far inland it is, roads to be taken into it, lines to be carried out again and so forth.

So, therefore, hydraulic plants have been built by Hydro which cost several hundreds of thousands of dollars a kilowatt and they have built them at a much higher cost than that—depending on where the hydraulic plant is and the amount of services that it requires.

It is fair to say that the power that is produced by a hydraulic plant is about 2 or 3 mills per kwh, as opposed to say 5 to 7 for a thermal plant. But even here I caution one to be careful. Any plant costs less for a kilowatt hour that is running all day long, full out as opposed to a plant that is not running full out. So it will depend on the demands that are made upon that plant, as

to how much its power costs. As well, the capital cost involved in constructing the plant in the first place is of importance.

Mr. Wintermeyer: Mr. Chairman, I think this is very important. Are we right in concluding that, insofar as we are able to make a comparison, the cost of thermal power is approximately 2.5 to 3 times the basic cost of hydro-electric power?

Hon. Mr. Macaulay: No, I think that is too high. But, as I said, it is very hard to generalize it. It is like saying all men are 6 feet tall.

Mr. Wintermeyer: Not quite. You would have the total cost of hydro-electric power.

Hon. Mr. Macaulay: The hon. leader of the Opposition can take an average cost, if he wishes, and say the average cost of a hydraulic plant in the province of Ontario on a year's operation would be something like, say, 3 mills per kwh. But it can be lower and it can be higher.

Mr. Wintermeyer: Just take hydro-electric, the average cost of all hydro-electric power produced in Ontario as compared with the average cost of all thermal power in Ontario.

Hon. Mr. Macaulay: Well, I have never actually worked that out, because it is a figure that does not bear much relationship to anything, being based on averages. I say this because, after all, the price that a person pays is the actual cost, not a hypothetical cost.

Mr. Wintermeyer: I do not want to engage in figments of speech. I am trying to make a very serious point here. Instead of asking a specific question, I will make a preliminary statement as briefly as I can.

I am personally of the opinion that the secret in all that the hon. Minister has said this far is in the success or failure that Hydro is going to have in transporting—if I may use the word—power great distances by high frequency.

The hon. Minister talked about 230,000—

Hon. Mr. Macaulay: 230,000 is the highest voltage we carry at now.

Mr. Wintermeyer: I understand the Russians are actually up in the neighbourhood of a million and that they are experimenting in some private industries in the neighbourhood of 600,000. Now, if we cannot produce hydro-electric power at a half or a third—say

a half—the normal average thermal cost—then surely our efforts should be to make as much investigation as we can about the possibility of transporting hydro-electrically developed power great distances. We have all the water resources we need in northern Ontario, of course, but thus far we have never been able to transport electricity a great distance. If it becomes feasible, then maybe we can reduce the cost of electricity in a fantastic fashion here in Ontario.

Hon. Mr. Macaulay: I would say to the hon. leader of the Opposition that the history of power transmission in the province of Ontario has been at 115,000 and 230,000 volts. For two years now we have been carrying on experiments, which we are now completing at Coldwater, with carrying power at 600,000 volts.

There has been no need to experiment with it before this because we have always had enough hydro power for our own needs in the area of the load. We have gone into thermal power really more from a peaking point of view, not to cover base load every day, day in and day out.

It just happens that one time in the year, one day in the year, there is one period in that one day of the year, when the power consumption is the greatest. It lasts for about 20 or 30 minutes. It occurs about December 17, about 4 o'clock to 5 or 4.45 or something in that neighbourhood. It depends on the season, how cold it is, and so on.

In short, you have to try to build up your system to what the peak demand is, otherwise you have to ration people. So peak sets the upper limit. So far, it can be generally said, we have had in Ontario and southern Ontario—where the basic big load exists—enough hydro power to supply our needs. Generally speaking, we have got into thermal power only for the peaking period. It is much cheaper than tapping the northern areas and bringing it back down, no matter at what voltage we could carry it.

As the demand develops in the area and at the speed which we anticipate—at about 6 per cent to 7 per cent per year over a period of some 50 years—we know that we are going to have to start making use of the far northern water resources. Only now has that need arisen. And only now, therefore, is it imperative that we find ways and means of carrying electricity at a very high voltage.

We have carried on these experiments and are satisfied that we now can do it. The

line will be built, as soon as the plants are completed in 1963, 1964 and 1965 on the Mattagami river, to carry the power down to the areas where the load is needed.

Does that answer my hon. friend's question?

Mr. Wintermeyer: Yes.

Hon. Mr. Macaulay: I would say, in looking at the report of the Russian power, it may help him to know that steam power there costs 7 kopeks; nuclear power is 10 kopeks.

Mr. Wintermeyer: What was the last figure?

Hon. Mr. Macaulay: Ten kopeks.

Mr. Wintermeyer: How about their hydraulic power?

Hon. Mr. Macaulay: I do not know if there is any figure in this report. In Russia at the present time, they have no million-volt lines. They have one 500,000-volt line and in their 20-year plan they envisage going to voltages in excess of a million.

They have experimented. So have the Norwegians and Swedes and so have we, and so have some of the American utilities. This is a step in the future to take advantage of an hydraulic site which is far removed from the southern centres so as to avoid the additional cost involved in creating thermal power.

Does that deal with the problem which the hon. leader of the Opposition had in mind?

I should just point out to the hon. members that when you build a generating station that uses water to create power you have these problems. First of all, you have a tremendous concrete structure which goes across the river and you have to divert the river. Then you have to build a tremendous headpond—that is a lake—behind it. You have to expropriate all sides of it. This involves relocation of roads, towns and services, and so forth, and it can be tremendously expensive.

Thirdly, you have to put your dam where the river is and this site may be hundreds of miles away from the load centre. Having created the power, you have to carry it back to where the load is used.

Those are 3 costs involved in creating a hydro plant that are not involved in creating a thermal plant. In short, a hydro plant costs more to build in the first place but you do not have to burn coal. The water is there

for nothing, so its operation is much cheaper. You do not have to buy the fuel except for the water rentals that Hydro pays to the Ontario government.

Mr. Wintermeyer: Mr. Chairman, I do not want to labour this unnecessarily, but is it fair to say that, all things considered, hydro-electric generated power is cheaper in Ontario than is thermal power?

Hon. Mr. Macaulay: Yes, I think it is fair to say that, on the average, it would be about half as expensive, and nuclear power in the United States is costing about 60 mills per kwh at shipping port. They hope that by 1967 they will get their nuclear power cost down to about 12 or 14 mills per kwh. Our costs in Ontario are at 3 and 6. Hydro hopes that after we have worked successfully through one or two nuclear plants we will then have a nuclear design which will be capable of creating electricity from nuclear energy at prices competitive with coal in Ontario.

Mr. Oliver: Before my hon. friend leaves this—and I promise this will be the last question—can he give me a figure which would indicate the cost of the public relations department of Hydro for the past year, including advertising?

Hon. Mr. Macaulay: I will get that for the hon. member.

Mr. Whicher: Mr. Chairman, I wonder if I could ask one question?

Hon. Mr. Macaulay: I might say that I will be at least another hour on rates, so can we keep it to rates for a while?

Mr. Whicher: Does the Ontario Hydro have a definite percentage to be put aside in the rate structure for contingencies?

Hon. Mr. Macaulay: Yes.

Mr. Whicher: What is that?

Hon. Mr. Macaulay: I do not think one could call it a percentage. For instance, some years—let me put it this way. The auditing firm of Clarkson and Gordon have given us advice—and I think any auditing firm would—that it is necessary to have a reserve of money put away for what we call stream flow contingencies. That is to say, one year the rivers are full of water and we can make electricity much cheaper than the next year when it might be very dry and we would have to burn a lot of coal.

The second factor is a reserve established

for power. Now, as I recall, the fund should be something in the neighbourhood of one-half of a year's cost of power. The reason for that is this: During the depression, from about 1934 to 1937, as I recall, there were reserve withdrawals. The reserve was not nearly as high as it is now, of course, but in relation to our assets and our customers and our supply it was relative to what it is now. That fund was reduced by about 300 per cent.

In short, instead of raising rates to pay for the cost at the time, this contingency fund was dipped into each year very heavily. This enabled Ontario Hydro, during the regime when my hon. friend from Grey South was a Minister, to continue supplying power under adverse economic conditions which it considered to be of a temporary nature—that is to say, not a permanent cost—thus Hydro avoided loading onto the customers an increased rate at a time when they could least bear it. This fund is used for that purpose; it is dipped into during a period when there may be some abnormal expenditures or conditions which are not anticipated will continue. And, of course, there are others.

As I said, I am not able to tell the hon. member exactly what the amount is—how it is charged to the rate—other than to say this: Each year, we, at the commission—and I say this to the hon. member for Bruce who asked it—that each year we know, for instance, that the stream flow fund should stand at a certain number of millions of dollars. We cannot get it there all at once and, therefore, each year a certain amount is put into it. When that fund—as well as other funds—has reached its proper level as recommended to us by the accountants, then they will be self-supporting. This year, we are going to forego a contribution to the stabilization of rates fund, simply because if we were to add that into the cost of power, the increase in rates this year would have to be that much higher. As a matter of fact, we will, this year, be dipping into the stabilization of rates fund to keep the rates as low as they are.

The hon. member for Wentworth asked me about depreciation. The cost of power in Ontario has charged to it 1.3 per cent of the value of our plant in service. This is a much lower rate than that used in the United States, which is 2.6 per cent, and in Great Britain it is 4 per cent.

In short, if we charge to depreciation the amounts which the United States charges, we would have to add more into the depreciation fund and, therefore, increase our rates to a higher degree.

This depreciation account is intended to gradually convert plant from plant into cash. What happens, however, in Ontario Hydro is that it shows as a bookkeeping entry and a large portion of it is invested back in the creation of new plants to avoid having to borrow money in order to do that.

Mr. Whicher: May I ask the hon. Minister a question? Does Hydro demand that the public utilities have a depreciation of 1.32 per cent?

Hon. Mr. Macaulay: I am sorry, I do not know what the municipalities' average is. Whether averages are much help, I do not know; but, in any event, if the hon. member would like to know, I will find out for him.

Mr. Chairman, one of the most important factors involved in the rate to be charged and the cost of power is the size of the system, the height of its peak which it must rise to on occasion during the year—

Mr. R. C. Edwards (Wentworth): I wonder if I could put another question before the hon. Minister goes on? He mentioned he depreciated the plant. How about the other equipment—the commission lines, and such—are they all depreciated on the same basis?

Hon. Mr. Macaulay: I meant to say to the hon. member that by using the word "plant" I mean everything we own that you can touch. So when you depreciate your plant you mean the things you are using in the creation of electricity. That includes transmission lines, generating stations, vehicles, just everything you have.

That is an average figure of depreciation on all of our plants, whereas each individual item has its own rate of depreciation which has been arrived at over a 50-year period, since 1906, on the basis of experience.

We know certain turbo-generators or certain hydraulic generators or transformers or certain of our plant has a useful life of a certain number of years. After 54 years in the business, we have acquired an experience to be able to predict how long a specific item will last. Therefore, all of our items—or all of our plants when individually broken down—have a life expectancy that is charged off each year. But if you average them all, our plant depreciation is 1.3 per cent a year. This is, of course, considerably lower than an industry would charge to depreciation or is permitted to do so under the income tax.

Mr. Chapple: The plants last much longer.

Hon. Mr. Macaulay: What plant lasts much longer?

Mr. Chapple: The whole electrical set-up lasts much longer than an ordinary business.

Hon. Mr. Macaulay: That may be true or it may not be true. There are so many fabulous developments in the field of science—in terms of the generation and transmission of electricity—today that something that is quite usable today may be quite inefficient tomorrow. It may have a lifetime that could go on operating, but at a much less efficient rate. Therefore, it may be replaced.

This happens in every kind of industry. Although it is true a transformer might go on working another number of years, nevertheless it is not operating as efficiently or economically as some other might be doing, so I do not think one can really generalize.

Mr. Chapple: Yes, but the basic plant, the basic cost—

Hon. Mr. Macaulay: Our basic plant is not involved in dams. Does the hon. member think it is?

Mr. Chapple: In dams? I was not referring specifically to dams.

Hon. Mr. Macaulay: Our basic plant is involved in transmission lines where we have something like 17,000 miles of high-voltage transmission and 60,000 miles of lower voltage. And as in many other things, it can be destroyed by one ice storm.

We have several generating plants at Niagara Falls which we have closed down simply because they are inefficient. Others will be closed down as newer ones come along. In the early days when Hydro developed a generator that would produce 13,000 kw, it was considered to be really big. That was a big operation. In 1949, when the plant was built in Windsor, about the highest that had been developed, as I recall, was 60,000 kw. Today, we are installing in our Lakeview plant 300,000 kw. This was undreamed of 10 years ago. Well, not exactly undreamed of. It was envisaged that science could do it, but it was just unattainable at that time.

The Americans are installing now through an English company—Parsons, as I recall—a turbo-generator in the United States which I think will have a rating of 500,000 kw. We will get to those, too.

So as these plants come along and you are able, in one single generator, to turn out more electricity than you did in 4 or 5 plants, it can be seen that it may really pay to get into the new stuff before the life of the old stuff has been exhausted.

I do not recall reading this section, but it is drawn to my attention that there is a section on page 71 of the annual report of Hydro which says:

The commission is now engaged in the economic evaluation of a number of its smaller hydro-electric stations in service. Some of these require extensive rehabilitation after operations for 50 years or more, having been originally constructed as parts of small private or municipal utility systems and subsequently purchased by the commission for incorporation into its larger system.

The present evaluation will establish whether in the interest of efficient and economic operation the development of power at any particular site should be continued. Where continued development is justified, the evaluation will also indicate whether the present installation should be rehabilitated or the site should be completely redeveloped for greater output.

So this is exactly the same problem that you have in terms of obsolescence in any industry, I should think.

I was indicating to the House, Mr. Chairman, how our rates were arrived at. In terms of rural rates, the rate is uniform. In terms of municipal rates, the rates in one municipality will differ from another municipality. The difference will depend on a number of items. One item, for example, is whether the municipality that distributes power to its customers is free of debt. Let us say, for example, that we sell electricity to two municipalities—and this is a hypothetical figure, because I do not know what the figure is—but let us say it is \$30 per kw. Say we sell to one municipality at \$30 per kw and another municipality at \$30 per kw. These municipalities may retail that power to their customers at quite a different price because one may be free of debt, while one may have developed very fast and have a heavy burden financially and high interest charges and so forth.

On the other hand, we may sell power to one municipality, say, at \$30, and to another municipality at \$35, and the reason for this is that there may be costs involved which are not pooled costs but are individual to those individual customers; for instance, the divisional costs differ from one division to another.

In any event, the hon. member for Fort William said—and I know this is not really what he meant—that Hydro desires to make as large an operating profit as possible. That is exactly opposite to the truth. Hydro does

not make an operating profit at all; and any profit that it otherwise would make is reflected in the downward cost of the price of power.

To summarize, the cost of power to reach municipalities differs one from the other—but not very much. They are coming closer and closer and closer together as we pool more and more of these costs and put people on a more equal footing throughout the province.

But this is a question of getting these municipalities to accept these things.

Some municipalities, traditionally in the Niagara district, have had lower rates than some other municipality perhaps in the far north or some other section of the province, and it is a question of gradual education to sharing the load—so-called.

In terms of rural Ontario, there is a uniform rate throughout the province, and I explained why this was so.

Mr. M. Belanger (Windsor-Sandwich): Before the hon. Minister goes into the rural rates, may I ask a question about municipalities?

Hon. Mr. Macaulay: Yes.

Mr. Belanger: The hon. Minister mentioned the fact that the rates differ in the municipalities depending on the debts that they may have. Does the Ontario Hydro have any control at all over the expenses that a utility commission may take on in the various municipalities?

For instance, I do know that some municipalities are very proud of their street lighting, and of their building, and so forth. I would ask why a municipality such as this—which goes into such a programme—why is it penalized? It is a fact that it is taking a step forward.

Hon. Mr. Macaulay: Is not what the hon. member said—I do not mean to be unkind, but is it not *non sequitur*? He asks why they are being penalized. I do not think that is really related to the question he asked.

He asked, first of all, whether we have any control over the amount of the debt or their expenditures, and the answer to that is "Yes." Then he asked next, why should a municipality be penalized if it wants to take forward-looking steps in its own municipality.

I do not know of any municipality that is being penalized. Those two matters are not related.

If the hon. member would like to express to the House in what way municipalities are being penalized when they want to advance, I would be happy to try to deal with it.

Mr. Belanger: Well, I brought up the question here last year; I asked it in my inauguration speech and I never got an answer to it.

Hon. Mr. Macaulay: I answered the hon. member right there and then. He asked me because the city of Windsor did not want to charge depreciation against street lighting. Is that not the problem?

Mr. Belanger: Right.

Hon. Mr. Macaulay: If the hon. member looks it up in *Hansard* he will see I answered him right there and then, and I told him the reason they wanted to forego charging to their street lighting an item of depreciation. We simply said we were sorry, that they had to charge a rate in the city of Windsor which is based upon accounting principles; and one proper accounting principle is to recover, from the rate, something to allow for depreciation. They did not want to do that.

We simply said: "We are sorry, you must do that because, from an accounting point of view, that is the proper thing to do."

I gave that answer in *Hansard* and I would like the hon. member to withdraw his statement that I did not give him the answer.

Mr. Belanger: Well, here is the thing. Here is the executive director, Mr. Teekae himself, who feels that this is an injustice on the part of the Ontario Hydro.

Hon. Mr. Macaulay: I am quite prepared to debate that with the hon. member. It may very well be that they do feel it is an injustice. But all we are saying is that it is a proper accounting principle, and that if any community does not charge in its rates an item for depreciation, and its plant fails and it has to be replaced, what funds has it got with which to replace them, except by adding to the rate?

Then, when the rates are increased, the hon. member will be down here demanding that this government do something, and we are doing it now.

Mr. Belanger: Hydro is getting paid for the poles; they are getting paid for the installation; they are getting paid for the services. Why put on this surcharge? That is the thing I cannot understand.

Hon. Mr. Macaulay: Windsor has built a street lighting addition or system, and they do not want to charge, in the rate they are charging in the city of Windsor, anything to pay for the depreciation which should be charged against that street lighting system.

Everybody, everywhere, who is charging anything for anything, charges something towards depreciation. I mean, it is a proper thing to do.

The plants will not last forever; those street lights will not last forever, they will have to be replaced. The city of Windsor owns the street lighting. There is no question of Ontario Hydro owning it.

It is simply a question of this: that, under The Power Commission Act, it says that the Hydro-Electric Power Commission has the responsibility of seeing that each municipality's local Hydro commission conducts its affairs in a way calculated to be in a manner of good business.

I am paraphrasing it. This is not what it says, that is the effect of it.

It is not good practice to omit in your rate something for depreciation. So the commission therefore said: "We are sorry, you must include in the rate which you charge people in Windsor for electricity something for depreciation against your street lighting system." That is all we said, and I think that is quite a proper thing.

Mr. Whicher: Mr. Chairman, one thing that was said by one of the hon. members was that the rate might depend on the amount of debt that each municipality would have. Now, that amount of debt—supposing one municipality had double the debt of another—would not have any effect on the cost of the power from Hydro to the municipality, only from the municipality to the consumer. I think there was a little doubt there.

Hon. Mr. Macaulay: That is right. I was trying to compare the price that the final fellow paid, and in different towns they might pay different prices.

I want to point out that there are many other reasons for the municipalities differing in retail rates. For instance, each municipality which is a customer of Ontario Hydro—and there are about 357—pay each year into a sinking fund. That is for the purpose of paying off the plant calculated to have been created to supply power to them.

I have the example of Brechin in mind, and I remember it well. Brechin, this year, had a drastic drop in its cost of power because it has had very few additions to its plant over

the last 40 years. It has not added many more customers, so we cannot fairly say that we have had to build any generation, any transmission or transformation for Brechin.

Therefore, after 40 years, they finally finished paying off into the sinking fund an amount deemed to have been created for their service, and they do not have to go on paying it in any more.

A municipality sitting right beside them which, 40 years ago, might have had 1,000 people, may have 10,000 now. They, therefore, have had plants being added every year by Ontario Hydro to supply them with their power, so they will go on paying into the sinking fund for some 40 years after each additional accretion or increment.

Mr. Whicher: Mr. Chairman, the hon. Minister said, in his explanation of rates, that the Ontario Hydro itself did not make any operating profit. Does he mean that they do not have any percentage for any profit whatsoever?

I know that it is a nonprofit operating organization, but, on the other hand, do they demand that the municipalities charge approximately 10 per cent more than what they reckon their expenditures will be for any one given year, including contingencies and depreciation and everything else?

Hon. Mr. Macaulay: No. Let us take that bit by bit because, quite unintentionally, there are a couple of errors in it.

Ontario Hydro does not demand that any municipality charge any rate whatsoever, much less set any ingredient of the rate, so let us get that clear.

What does happen is, the municipality decides what rate it ought to charge and it comes to Hydro to get the approval for it.

Mr. Whicher: They do not get the approval, though.

Hon. Mr. Macaulay: Very often we discuss whether the rate is too low or too high. Most often our desire is to try to get the municipality to reduce their rate. As for instances in which we have insisted that they increase their rate—since I have been there in any event and that is all I can speak for—I cannot remember one.

The second point is that the hon. member talks about this 10 per cent. What he is saying is this, that the municipalities charge a rate which, at the end of the year, means they have taken in about 10 per cent more than it has cost them to run the system. Is that right?

Mr. Whicher: Yes, but it is more than 10 per cent.

Hon. Mr. Macaulay: Yes, but let us just save that for a second. Firstly, I would say that it varies from municipality to municipality.

Some of them get down to 1 per cent or 2 per cent which, I think, is cutting it just too narrow altogether and we urge them to raise it a little bit, to get it up to what, in relation to their financial demands, is a sum calculated to operate their business in a proper way.

Most of them are quite high, and here is why they want it high. In many ways, one has to be sympathetic with them.

They feel that if, each year, they can put away a little bit of money in the "kitty," when they come to want some expansion they have some money with which to build, without (a) having to raise rates or (b) going out to borrow money on a bond issue.

And can the hon. member imagine Brechin going to New York on a bond issue?

Mr. Whicher: But my question is this: Inasmuch as the municipalities do that—I am speaking only in theory now—why does not the Ontario Hydro do that so they do not have to go for so many bond issues, over a period of years? I am not talking about the last two or three.

Hon. Mr. Macaulay: All right, that is a perfectly fair question. We do it. We do it. And that is why, for instance, the hon. member has asked what we charge in addition to our actual out-of-pocket expenses to supply power.

First of all, as I indicated, 1.3 per cent goes to depreciation. About 4.5 per cent goes to pay interest on our debt; 1.05 per cent is put into the sinking fund; .02 per cent goes into the stabilization of rates fund. That total is 5.75 per cent plus 1.3 per cent for depreciation. Therefore, it represents the amount we are putting away.

We take all our costs, and then we add on to that 5.75 per cent to cover interest, sinking fund and stabilization, plus 1.3 per cent for depreciation; and that is the total amount we charge, and that is all.

If we ever miscalculated—that is to say, if we expect that in 1961 we will spend \$250 million as an operating budget and it turns out that we spend \$249 million—we will repay that \$1 million.

We calculate at the start of the year what rate must be charged to all customers to recover our anticipated budget.

If, at the end of the year, we find because we have had excellent stream flows and we have not had to burn coal and therefore we have saved money—or we have not had ice storms to deal with, there has been full employment, there have been no strikes or we have been able to sell more power to the United States, or whatever the variances are and we have therefore been able to give the same service, and save a couple of million dollars—then that amount is paid back to the municipalities in what is called the thirteenth bill, of which I hope the hon. member was a recipient when he was chief magistrate of his municipality.

Mr. G. Bukator (Niagara Falls): By the same token—another question in line with that—if Hydro does not make sufficient then it bills for a thirteenth bill and recovers?

Hon. Mr. Macaulay: That is quite right.

Mr. Bukator: I would like to be able to do that in my business.

Hon. Mr. Macaulay: Pardon?

Mr. Bukator: I would like to be able to do that in my business.

Hon. Mr. Macaulay: On the other hand, the main point is, if the hon. member makes anything in his business at the end of the year, he can keep it. That is to say, he can keep some of it.

Mr. Whicher: I do not think Hydro is being quite consistent. My only question is this, once more.

I do not think that Hydro is being quite consistent when it is being run at exactly 100 per cent. If it is \$1 million behind one year it charges an extra \$1 million next year; if it is over \$1 million, it rebates it in rates, while at the same time it demands that our municipalities run at at least 10 per cent operating profit.

I cannot see why the hon. Minister demands that that be done.

Hon. Mr. Macaulay: Look, I have corrected the hon. member's statement once, and he is an honourable gentleman. I wish he would not repeat that Ontario Hydro demands that the municipalities operate at 10 per cent. They do not demand any such thing.

The municipalities would like, if they could, to operate maybe at 15 or 16 or 20 per cent, and I have tried to give the hon. member 3 or 4 reasons why they want to do so.

If I may say so, during the tight-money period of recent—in the last two or three years—most of the municipalities have been very, very happy to have had this small backlog they could feed on in order to develop their systems without having to go out and borrow.

Mr. Whicher: None of the municipalities that I know, who had invested in Hydro bonds and had to sell them at \$90 or \$92, are too happy about it.

Hon. Mr. Macaulay: Again, I suggest to the hon. member that is *non sequitur*.

The amount that the Hydro bonds sell at on the market is determined by investors and not by Ontario Hydro—that is the first point. The second is that that, in turn, will be the result of two factors: confidence in the economy as a whole and confidence in the management of the institution in which the bond is invested in the first place.

That is one of the most important reasons for keeping reserves at a figure which a good accounting firm would say was adequate for the operating needs of the industry itself. This affects the interest rate at which you are able to borrow money.

I know that the hon. member really is just twiggling me on this because he knows very well that we could not possibly have built up the generating capacity of this province 300 per cent in 12 years without money. We have had to borrow the money.

The other thing would have been to have foregone the development of the province; because there is no doubt in the world that a jurisdiction that has abundant and cheap energy has a high standard of living and has industrial development. Without them, you just have not got it.

It is like a squirrel cage. Which comes first, the industry to use the power or the power created so the industry can come? I think it is quite apparent—in that it takes a lead time of about 4 years to create adequate power—that obviously the planning must be done well ahead of time; and, like anything else, you can only go on past statistics while trying to calculate that estimate.

But I want to make it abundantly clear that Ontario Hydro does not advise any municipality on what kind of a surplus they should have. In addition, any surplus that these municipalities have developed has been very much to the benefit of the customer because they have been able to use it to buy plants instead of borrowing money and paying interest on it and having that added

to the rate—because certainly the rate has to recover all of these costs.

That was part of my argument with the hon. member for Windsor-Sandwich, because you have to recover those things which are proper charges against the industry.

Mr. T. D. Thomas (Oshawa): While we are on the question of reserves and surplus, I would like to ask the hon. Minister, if a public utility has a surplus on the year's operation, could the local council request that it be rebated to them or given to the municipality?

Hon. Mr. Macaulay: No. I do not think so. If there is a surplus of any kind, it is a credit to the local commission and not to the municipality, even though the municipality may own the commission. Secondly, it has been brought about not by the municipality but by the people who use the power.

Those are the people who have created the surplus; and if you were to hand it off to a municipality in reduction of general taxes, this would be an unfair thing to do, I should think.

However, it is a theoretical problem, but you would be rebating taxpayers who may not have created the fund in the first place.

Mr. Thomas: Was there not a lawsuit down in Belleville on that very thing?

Hon. Mr. Macaulay: There may have been, I do not know.

Mr. Chapple: Seeing these profits are made—

Hon. Mr. Macaulay: Let us get this thing straight. There are no profits.

Mr. Chapple: Are there not? If one makes a profit he makes a profit; no matter what he does with it, it is still a profit. No matter what he calls it, it is still a profit.

Hon. Mr. Macaulay: Well, what is a profit?

Mr. Chapple: A profit is what one makes over and above all his expenses.

Hon. Mr. Macaulay: All right. I have just pointed out to the hon. member that we do not have any profit in Ontario Hydro. We take our operating costs and then certain accounting credits are given. That is the amount of power that we charge. We do not have one cent over, and if we miscalculated the rate needed to create that amount of

money, we rebate it back to the people who own the system, namely, the municipality, or credit it to the province of Ontario in the terms of northern Ontario property.

Mr. Chapple: I still say Hydro makes a profit.

Hon. Mr. Macaulay: Would the hon. member be happier if we operated at a loss?

Mr. Chapple: I would be happy if Hydro operated at a profit and paid taxes the same as the rest of us.

Hon. Mr. Macaulay: It sounded to me as though there was more heat than sense in that statement. I would say to the hon. member that, if that were so—and I will come to this in a moment—if that were so, all it would do is add on to the rate.

Mr. Chapple: The Hydro makes the charges and we pay them anyway. We might just as well get them back in one form or another.

Hon. Mr. Macaulay: If the hon. member is talking about Ontario Hydro—I do not know what taxes he is talking about—but the more money Ontario Hydro has to pay out, the more the rate has to reflect those outgoing amounts. There is not much argument about that.

Mr. Whicher: Mr. Chairman, I have not got any heat in this question at all—

Hon. Mr. Macaulay: Just a second, let me add this. The hon. member's party in the last election advocated that rural rates be reduced 25 per cent.

Mr. Wintermeyer: Surely the hon. Minister is not going to interject politics into this.

Hon. Mr. Macaulay: No, but I must admit the standard was very high due to the participation of the hon. leader of the Opposition.

Nevertheless, the basic fact is that, in the last election, he was advocating reducing rural rates by 25 per cent. This would have cost Ontario Hydro over \$10 million. That amount would have to come out of the rates. When they are talking about doing things here, there and some place else, they have to have some understanding of what it does to the whole system.

Mr. Chapple: The hon. Minister should not forget that Hydro is for the people, and it must be for a reason.

Hon. Mr. Macaulay: Certainly it is for the people, and I will just give an example.

There are 18 groups of people who want favours and say that there should be some special treatment given to them. The gold mines, for example, have a fixed price for their commodity, and therefore they say: "Even though your costs have gone up, Hydro,"—and theirs have gone up, too—"you should not increase your rates to us, the gold mines, because we cannot pass it on to the customer."

That is what the gold mine operators say. All right, let us just leave it hanging there for a minute before we assess it as to whether it should be done or not.

The paper companies say that there has been an unfortunate premium on the Canadian dollar and it has just wiped out about a \$5 million profit or other amount that they would have been able to keep in their industry for development and more jobs and so on. They say: "We cannot afford to have a rise in our rates, so you should not apply the rate increase to us." That may be perfectly fair. Let us just hang that one there too. That is the second one.

The uranium industry says: "The American market and Great Britain are not going to take our products after 1962. You should not put any increase on us. If anything, you should be lowering the rates." The uranium industry want a special deal. And I do not say there is anything wrong with it. I am going to go through 18 of them, and they all want a special deal.

Who is going to pay? There is the big question. But wait until I get finished with them, if I may.

Mr. Wintermeyer: I do not think the hon. Minister has to detail these.

Hon. Mr. Macaulay: I want to detail them.

Mr. Wintermeyer: It may be good public policy to actually do this. Maybe it is.

Hon. Mr. Macaulay: At least let us delineate the problem before we decide whether it is a good thing to do or not.

The fourth one includes the mines as a whole. They say that costs are increasing, and they are up against increased competition, and that we should not be increasing any of the mines' rates, and, if anything, they should be held or reduced.

The fifth group are the northwestern Ontario organizations. They say in northwestern Ontario they should get more favourable treatment because they feel that they are left out of the development in southern Ontario, and if we are going to have

any development anywhere in northwestern Ontario they should have more attractive electricity rates than exist somewhere else in the province.

Interestingly enough, the sixth group is in the northeast. Northeastern Ontario says they should have a lower rate than any place else in the province because they have the same development problems.

The seventh are the rural people. The rural people say they are paying more than they are paying in the municipalities and they should have their rates reduced, and the hon. leader of the Opposition has advocated it.

The next one are the cottagers. They are swarming around like bees. They are angry because their rates have been increased. They say: "For heaven's sake, our rates should be lower because we are only using it for a couple of months out of the year." They forget that we have had to build the plants to be able to use it and that it would be cheaper for us if they did use it for 12 months than just for 2 months. But the cottagers want a better deal.

The ninth group, the Niagara power users, came over here *en masse* and presented an excellent brief for discussion before the government and the commission, that they are closer to the generation than other users. They came in there traditionally 40 or 50 years ago and they want special treatment. They say that if our rates keep rising, then we are going to lose them and they will move to Quebec.

The tenth group are the eastern Ontario people who came in. They came in *en masse* and they said that they are near Cornwall and that they should have a lower rate, a better rate, because they are right near the source of generation, and if they are ever going to attract industry like they have at Massena they must have a special deal.

The city of Cornwall wanted a better deal. They are in the tenth group, because they are the municipality surrounding this spot. The cities themselves maintain that they want to have a lower rate. If the hon. members have read any of Mr. Murson's speeches or others involved in the Ontario municipal electrical association, they are all interested in lower rates.

Then the municipalities all want Ontario Hydro to pay higher taxes, and the only place it can go is on the rate.

Our labour people want to have better labour rates. One can understand them wanting to do that, but this is a pressure on Hydro at the same time.

New industries feel that they should have a special kind of a deal if they came in in terms of electricity to encourage them into this province.

Also, hon. members opposite have spoken against us trying to minimize our expenses by buying where we can get the cheapest product which we will come to and will discuss in full. The hon. member for Fort William wants us to service areas which are not economically sound to do so. He advocated that Ontario Hydro should undertake a crash programme in terms of nuclear energy even though it might cost 3 times or more to provide the power that we get from thermal energy.

Mr. Wintermeyer: Now, just a moment, just a moment. On occasion the hon. Minister has asked for fairness and I ask for fairness on this. The hon. Minister himself said that the probability is that, after we can demonstrate the effectiveness of nuclear energy, it may well be competitive. It is a debatable point.

Hon. Mr. Macaulay: That is right.

Mr. Wintermeyer: Maybe it is wise to spend the money for experimentation.

Hon. Mr. Macaulay: It is most unwise, and no crash programme can ever be as economical as a traditional, logical, orderly, scientific development, but I will come to this and deal with it in specific detail.

Mr. Singer: Mr. Chairman, the hon. Minister has been making a case for equalizing rates—and substantially I am in agreement with him—equalizing charges across the whole province. However, he does refer to the request of some municipalities that Hydro pay increased taxes.

Surely, there is a substantial inequality—this has been talked about previously in the House; I mentioned it last year and the hon. member for Niagara Falls mentioned it—when Niagara Falls is forced to subsidize, in effect, the rest of the province because they have so much of the plant located in their municipality and they get so little revenue. Surely this is where the equalization principle should be applied.

Hon. Mr. Macaulay: I appreciate my hon. friend's comments, and when I come to that subject I will discuss it. At the moment, I am attempting to discuss this question of rates and point out that there is not a single consumer of electricity in this province who does not feel that he would like to have

some special kind of a deal, or some area of the province that does not feel that it is entitled to some kind of special treatment.

Quite obviously, this is impossible. Somebody has to pay the bill, and the best way of testing how much anybody should pay—or who should pay it—is to follow scientifically the source of supply and charge everybody who uses power the cost that it takes to get it to him.

Mr. Wintermeyer: It may be good book-keeping but I do not know that it is good government policy.

Hon. Mr. Macaulay: All right. Then when the hon. leader of the Opposition comes to discuss this, perhaps he would indicate, if we were to accede to all these requests, who is going to pay the cost.

Mr. Wintermeyer: I certainly would reduce their costs.

Hon. Mr. Macaulay: All right. Then let us do something else—what about the gold mines?

Mr. Wintermeyer: I would just like to make this observation in connection with the gold mines—that is more a federal problem than a provincial problem. But I do think that Hydro is the one utility we have in Ontario to encourage and develop industry, and I would use it to the utmost, and I would spread the cost over all taxpayers if necessary, other than users of hydro.

Hon. Mr. Macaulay: Then, if I understand the hon. leader of the Opposition correctly, what he would say is that where a new industry wants to establish here it should be given a more favourable rate than that existing for, perhaps, his neighbour?

Mr. Wintermeyer: One cannot make an absolute determination. I would be put in a ridiculous position; but I say I would be generous—I certainly would.

Hon. Mr. Macaulay: The hon. leader of the Opposition would not, however, deal with the rates to the gold mines as the gold mines have suggested?

Mr. Wintermeyer: My obvious observation is that it is a federal problem.

Hon. Mr. Macaulay: Then what about the uranium industry?

Mr. Wintermeyer: The uranium industry is one area where, if it could be demonstrated that they will keep in production—

Mr. C. E. Janes (Lambton East): What about the farmers?

Hon. Mr. Macaulay: What about the paper companies and the mines, for example?

Mr. Wintermeyer: From the paper companies the complaint I get is that they have never been able to see the hon. Minister or his senior officials, but have been required to talk to junior officials in Hydro. They realize this is never brought to the hon. Minister's attention.

Hon. Mr. Macaulay: Well, now, I do not know—I have never heard that they want special consideration at all.

Mr. Wintermeyer: The paper companies want long-term contracts so that they can plan ahead for—not one year or two years—but 5 or 10 years. That is all they want.

Hon. Mr. Macaulay: All right. I could go down each one of these, and a sympathetic case can be made for every one of them.

Mr. Wintermeyer: There is not a doubt in the world but that it is a difficult question.

Hon. Mr. Macaulay: Of course, it is a very difficult question, but the one answer which has to be provided, no matter how sympathetic one is, is that somebody has to pay the bill.

Mr. Chapple: The cost of hydro is too high; the hon. Minister has certainly demonstrated that.

Hon. Mr. Macaulay: How could I have possibly demonstrated that the cost of hydro is too high? I have the figures here to show that the cost of hydro is lower in Ontario than in any other North American jurisdiction.

Certainly, the cost of hydro today is lower than it was in 1935.

Now, if hon. members can find a single commodity which has gone down in price in 25 years, I would be very surprised, but it may very well be that there are some. In relation to others, we in Ontario are the greatest users of electrical energy of any country in the world; and we have the best rate, and there is not another one which compares with it.

Mr. Wintermeyer: Mr. Chairman, the hon. Minister is certainly making some very sweeping statements. Now he says that we use more power than any other jurisdiction in the world.

Hon. Mr. Macaulay: There is one country, Norway—and I explained this in the estimates of The Department of Energy Resources—which does not use gas and oil and coal abundantly, because there is no other fuel supply, so therefore the per capita use in Norway is higher than any other country in the world. Other than Norway there is no other country—including the United States—that uses, per capita, as much power as we use in this province.

Mr. Wintermeyer: Mr. Chairman, I would simply ask this: My understanding is that in Ontario we are using about 7 million kw per year. What is the total consumption in all of Canada? Am I right that it is approximately 25 million kw?

Hon. Mr. Macaulay: I do not know. We do not measure consumption in kilowatts. We measure it in kilowatt hours, and they would be in terms of billions. I would think that in the province of Ontario—I am just guessing—but I would think that we would be consuming about 35 billion kwh; and I would think that Canada consumes about 100 billion or 110 billion kwh.

Mr. Wintermeyer: That is roughly in accordance with our proportion of the population.

Hon. Mr. Macaulay: Who said it was not? The point I wanted to make is that in Ontario we consume more power than any other country in the world; with the exception of Norway, for the reasons I mention; and so does Canada, but we have a higher consumption here than in other jurisdictions.

Mr. Whicher: Mr. Chairman, I would like to say that I personally am in substantial agreement with what the hon. Minister said in regard to these 18 groups. I do not think we can go around making exceptions all the time.

However, there are possibly some exceptions that should be made, and one of them is: when the price of Hydro gets to a point where industry is going to close. Mr. Chairman, I have been informed—I cannot say that these are from reliable sources, because they are not firsthand—but I have been informed by people who should know that there is some industry in the province of Ontario suggesting that, if Hydro costs get any higher, they are going to have to cease operations in this province.

I have been informed that there have been representatives of the province of Quebec who have approached certain industries and

promised them that if they moved to that province they would get cheaper Hydro than they do in this province of Ontario. And I would respectfully suggest to the hon. Minister that this is the danger point.

I know perfectly well that he has a hard job, with everybody coming in with a sob story, and all wanting cheap hydro rates. But I suggest that he should lend an attentive ear where there is a danger of that industry moving out of the province. That is all that I would suggest.

Hon. Mr. Macaulay: I want to assure my hon. friend that, for instance, in the case of the Niagara power users, there were companies which expressed that opinion, and they were not giving any kind of a sob story. They were thinking of the economy of this province, and their own problems, and pointing them out to us; and we have discussed them with them, and we have made any adjustments that we can.

For example, one of the things that a number of companies want is a very long-term contract, as the hon. member has mentioned. This makes it very difficult.

It is much more desirable, of course, to have a contract where the price is flexible in relation to the cost, so that if the cost goes up the price can go up, and if the cost goes down the price can go down. On the other hand, if you predict 10 years ahead and then are wrong after the fifth and sixth year, or the third and fourth year, obviously if you have underestimated the cost somebody is going to have to make up the deficit. That is the first point.

Knowing the tendency of human nature to wear belts and suspenders, you tend to simply add on to the rate a sum calculated to take care of the possibility, so it may result to the disadvantage of the company. This is like making out a cost-plus contract for a fixed price contract. Well, sometimes you think one way is the best, sometimes another.

However, we have made adjustments with companies whose contracts have been up for renewal, and have offered them much longer-term contracts. Now, I do not think they are as long as they would have liked them to have been, but I think they will honestly agree that Hydro went a long way toward meeting the objections which they have to the renegotiation of the contract in terms of service, interruptible power, length of contract, price of units, and so forth.

I think hon. members will find that the companies will generally realize our problem

and they just hope we can find some way of getting the money from somebody else. But, when one honestly points out those 18 examples that readily came to my mind, one can realize it is a very involved problem.

Mr. Whicher: The only other place that we could possibly cut rates, and I certainly would not expect the hon. Minister to acknowledge that—not in this House, anyway—is the possibility that there might be some inefficiency in Hydro and perhaps costs might be cut. One of the things I would like to say, and I will just be a moment—

Hon. Mr. Macaulay: All right.

Mr. Whicher: In connection with the advertising programme: Now when the hon. member for Grey South asked the hon. Minister what the cost of public relations was for the year, the hon. Minister said he did not have the figure, but would get it. Another thing I would like to know besides public relationship is the cost of advertising. In my own particular area of the country, about every so often—it probably seems more often than it actually is—along comes a programme and somebody sings: "Live better electrically."

Now it seems to me that this is the height of nonsense. I do not know what it costs—perhaps if it only costs a pittance or a minimum sum, it may well be worthwhile—but I suggest that we, as members of this Legislature, would like to know just exactly what the cost is. I ask because to me—particularly in my area where there is no opposition at all, there is no gas there—that it is a complete waste of money. We all use hydro anyway.

Hon. Mr. Macaulay: Well, I will come to that and discuss it later on, because it was raised by the hon. member for Kenora.

However, just briefly may I point out to the hon. member that there are two large competing sources of energy supply in this province? The most expensive conceivable way that Hydro could conduct its business would be to supply power for the electric lights in every house and leave the rest of the market to the gas companies. The big load is on the washing and drying machines, and on some of those heavy appliances.

While the gas companies are out competing, they are advertising, and they are advertising very heavily. What can happen if Ontario Hydro does not stand up and say: "Look, we can give you a good service on water heaters"? There is a big one, water heaters—you put the electricity in, you store the electricity in terms of hot water for a

number of hours. We can also pull the switch and turn them off during peak times in the municipality.

Mr. Whicher: Hydro cut the rates on those, did they not?

Hon. Mr. Macaulay: To try to encourage more people to get into them, but it did not—

Mr. Whicher: If Hydro cut the rate, if Hydro was operating at a minimum cost to start with, at cost—

Hon. Mr. Macaulay: Simply this: The more people use them, the more you can reduce your rate. Now we have a very large surplus of electricity in this province, which I pointed out to the hon. member. If that amount of surplus electricity could now be used, we could reduce rates across this province right now, without any trouble. So the more customers you have, the less it costs—your plant is there anyhow. To supply them is quite another matter. However, I will come back to this question of competition with gas.

But I can honestly say to this House that if this House or anyone were to suggest to Hydro that they had no right to get into competition with gas for market, Hydro would become a big white elephant, because you have to have your generation and your lines down the street and your transformers and everything else to carry the wire in to light the light bulb. It costs hardly a cent more to be able to supply power on down-stairs to the furnace, the washing machine, the dryer, and so on. The cost of power in this province, if it were only for lighting—TV, radio and electric light bulbs—would be so out of this world, that nobody could afford to use it. Now that is the first point.

The second point is: In some municipalities where gas has come in effectively, those municipalities have had a very great fight on their hands to be able to hang onto their market. They are supplying power, for instance, to a hot-water heater load in the municipality and gas comes along and they say they can do it this way at another rate and so on. And so the municipality loses the hot-water heater.

Should they not do something to fight to hang on to them? I will say this—if you deny to these people who have devoted their lives to selling and distributing electricity, which activity has obtained the rates they are getting, you will destroy the whole purpose of the organization. They have to be able to fight in order to supply the service and keep the rate down.

Now let me show hon. members. During the war—and I think I frankly express the opinion of a great many people—during the war, when electricity was scarce, I think the attitude of Hydro towards the general public then and its attitude now that they have a surplus and competitors in the gas field, is a different thing.

Now I am not going to delineate it and draw a map for hon. members. I am just telling the House, that is all. I think competition is a very good thing, indeed. The hon. member said we should not be having wasteful competition. I think there are areas in which perhaps there should not be competition, but that is another matter. The question is, how do you control it?

The only way which would satisfy the hon. member for York South, Mr. Chairman, is to simply have the gas business—gas distribution—owned in the same way and both controlled by the government. And yet, where that does happen in Saskatchewan they are competing like all get-out against each other. Because each fellow in each organization is there to do the best job he can for that organization.

I started to tell hon. members that in some of these municipalities, where gas has come in in a big way, some of the municipal people are quite concerned. And for this reason.

They have borrowed a lot of money in order to build up a big plant to provide service to all of their customers. If, in the process, markets disappear to the gas company and they are left with nothing but the electric light bulbs, they still have to pay the service charges, the interest and their debt charges. They still have to pay them, they still have to repay the money and they have not enough income to do it.

Mr. Chapple: May I ask a question? From what the hon. Minister is saying, then, would he say that the cost of hydro is as he has indicated? Is the cost of hydro getting too much for the province?

Hon. Mr. Macaulay: All I can say to the hon. member is this: Hydro is being operated at cost and the charge for it is what it is costing to operate it. Whether it is getting to be too much is a question of relativity.

I will say this, however, to him. I have the rate on the average cost of kilowatt-hours in this province as compared to, say, Quebec. Quebec is \$1.52; this province is \$1.35.

Mr. Wintermeyer: Mr. Chairman, we have been through this so often, and I do not

want to be misunderstood on this, but we have been through this so often. I recall the chairman of Hydro appearing before a committee and giving this type of information. And yet, persistently, businessmen say that it is cheaper to buy power in Quebec industrially than it is here. We had the experience of the hon. Premier of Quebec coming into this province and inviting industry to move to Quebec and suggesting that he could provide cheaper power. Surely there is some substantiation for all this evidence that it is cheaper.

Hon. Mr. Macaulay: All I am saying to the hon. leader of the Opposition is this: He was the one who raised the value of averages, and I have produced an average figure for him.

Mr. Wintermeyer: Well, now—

Hon. Mr. Macaulay: All right, now, just a second, the hon. leader of the Opposition has raised a question. Let me answer it, if I can.

The second point is, in the province of Quebec they do not have nearly the distribution, nor the number of customers, nor the far-flung grid that we have.

We have invested hundreds of millions of dollars to service all of our people. These are the facts of life in this province. There is only one per cent of all the households in this province that have not got electricity. One cannot say that in any other jurisdiction in the country, and certainly not about Quebec.

Now let me finish, if I may.

Mr. Wintermeyer: Is Quebec producing more power than we are right now? Is that true?

Hon. Mr. Macaulay: This is the second point: Quebec has an infinitely greater potential to create hydraulic electric power than we have because they have the rivers and the falls and the terrain with which to do it. We simply do not have it, so—

Hon. Mr. Frost: We are buying a million horsepower from them right now.

Hon. Mr. Macaulay: So here is the point: When you have to turn to thermal power, which is twice as expensive on the figures we have used today, obviously your system is going to reflect a higher cost, it cannot help it.

Mr. Wintermeyer: Sure, this is true. But I think we are just fencing with windmills now.

Hon. Mr. Macaulay: No, I am saying—

Mr. Wintermeyer: I acknowledge what the hon. Minister is saying is accurate—

Hon. Mr. Macaulay: No, just let me finish this. I am saying I do not doubt that Quebec Hydro can make an offer to supply power to a certain company at a loss if they want to do so. Somebody is paying for it, their other customers are paying for it.

Mr. Wintermeyer: Is it at a loss?

Hon. Mr. Macaulay: Well, look, it certainly is at a loss compared to our cost of power. We could not provide it at the same rate.

Mr. Wintermeyer: Well, if we cannot be competitive, then maybe we should have a grid arrangement with Quebec; and there are a lot who have suggested that. It has been suggested, I believe, that we should draw our power from as far away as Newfoundland.

Hon. Mr. Macaulay: How could a grid arrangement with Quebec help us? They are going to charge us what the traffic will bear. And one of the things it will bear is they will try to find out how much would it have cost us to create it here.

Mr. Wintermeyer: Well, if this is going to be a debate, then my suggestion to the hon. Minister is he is the Minister; he is in charge; now what is he going to do about this?

Hon. Mr. Macaulay: I am simply saying—

Mr. Wintermeyer: If we are being handicapped in Ontario, what is the hon. Minister going to do about this?

Hon. Mr. Frost: Might I say to the hon. leader of the Opposition that, after all, is there not an element of commonsense in this thing?

Here is the situation. One only has to look at the face of Ontario, to the map of Ontario and the waterfalls and rivers, to know that we have not and never did have the power potential they have in Quebec and in British Columbia. Nor have we got the power potential they have in Labrador and Newfoundland.

We, of course, know that we are short of developable water power. That was the reason for the purchase, very many years ago, of a million horsepower from the province of Quebec. The hon. members opposite will recollect that some of their fellows repudiated it, it was one of the things they turned away.

I am only giving some background and history of this matter. They repudiated it and yet today it is part of the lifeblood of our province.

One of the great worries of a dozen years ago was the fact that, with the completion of the obvious development of the St. Lawrence and the redevelopment of Niagara and a few other places, we were running to the end of our water power resources.

The things which changed the picture, were: First, the coming of natural gas into Ontario gave us a form of energy which would reduce the requirements for straight electrical energy. Second, there was a great potential in what we are doing up in Bruce county now with the new development in nuclear power.

Mr. Chairman, our power costs are bound to be higher than in these other places. There is no escape from that. It is bound to be higher.

But I wish to point out to the hon. members that there are other matters which enter into the picture.

Why is there, in the face of this, such a vast concentration of industry in Ontario? It is because of geography and population and a lot of other important factors. Actually, the cost of power is a relatively small item when we get down to manufacturing costs. It is these other things—the availability of markets, and so on—which are vital.

I would like the hon. members to remember that water running downhill is the cheapest type of power that can be developed. When they say here: "Let us, out of the public purse, subsidize our power costs down to the limit of these other areas; or let us always compete in power with these other areas"; I would reply that they have to find the money to do that. And if they spend money in subsidizing power which is being produced at cost, then they simply will have that much less money for education and other things.

They cannot have it both ways. They cannot spend the money on subsidization and then turn around and use that money some place else.

I think the sensible thing to do is to look at the whole picture. Take, not only the cost of power, but population, roads, geography, all of these things into consideration. That is what is attracting industry to Ontario.

These are the things that attract industry to areas like Metropolitan Toronto, which may in fact be getting too large. It may be; but the point is that they come here. They pay

higher labour costs, they probably in general pay a higher overhead; but they come here rather than go to some of the other municipalities in the district—and there are some very desirable places to which they might go.

They come here because, when they add up all these things and put them in the equation, it pays them to come here. That is the point.

I say it is the general environment that is going to count. When we get into the question of subsidizing we are dealing with only one element in the matter. And again we will be taking dollars that we may badly need for something else.

Mr. Chairman, that is as I see it.

Mr. Wintermeyer: Mr. Chairman, with what the hon. Prime Minister has said, I do not suppose anybody can quarrel. It may be commonsense, it may be that it has to come from one source. But, surely, it is likewise true that an intelligent government must take a lead in this thing and determine what we want.

I can put this question provocatively to the hon. Prime Minister. I can say: "What is he going to do if industry starts to move away and how long is he going to wait before he makes a move?" Is it true that Quebec is enticing industry out of Ontario today?

Hon. Mr. Frost: I would say that for some time past this has applied here in Ontario. I do not think it pays us in our province, frankly, to have industries which take an enormous amount of power on a per capita basis. We are far better to let that type of industry go some place else.

Mr. Wintermeyer: Suppose it is a natural resource?

Hon. Mr. Frost: Let me point out that if we take a type of industry which uses an enormous amount of power—in some particular process, certain types of smelting, for instance—and employs comparatively few people, commonsense would indicate that it would be far better to try to attract industry that employs a large number of people and uses, per capita of employees, a smaller amount of power. I think that is sensible.

I frankly think that is the choice we have to make.

Mr. Wintermeyer: We have a big choice. What about the pulp and paper industry? Surely that is not—

Hon. Mr. Frost: Of course, the pulp and paper industry is a very heavy employer of labour. As a matter of fact, if we take pulp and paper costs—take them apart—we will find that the power element is comparatively small in the costs.

Mr. Wintermeyer: Oh, no; oh, no.

Hon. Mr. Frost: Yes, it is. I mean, relatively, it is a very small thing.

Mr. Wintermeyer: It is one of the industries that is complaining now. It is one of the industries that the hon. Minister spoke about.

Hon. Mr. Macaulay: This is a very good point. It is one of the industries that are complaining; so are others. But let me give an example.

Steep Rock is very concerned about this. They are very concerned about this indeed, because 1.8 per cent of Steep Rock's production costs are involved in electricity. This 9 per cent increase of rates to Steep Rock is going to increase their cost of production by .162 per cent.

Mr. Wintermeyer: Well, what is their profit ratio?

Hon. Mr. Macaulay: I am just simply pointing out that in terms of hydro, that hydro—

Mr. Wintermeyer: That might be the difference between profit and loss.

Hon. Mr. Macaulay: Just a moment. It may mean a difference between profit and loss to them, but unless the raise is made it it going to meant a definite loss to Hydro that somebody is going to have to pick up.

Mr. Wintermeyer: It may mean the development of northwestern Ontario, too.

Hon. Mr. Macaulay: All right, who is going to pick it up? If it is the general taxpayer, that is one point that hon. members would have to argue in principle. If it is the rest of the system, all we are going to be doing is raising the rates even higher when the rest of the system says that we cannot raise them.

Mr. Wintermeyer: Who is arguing that point with the hon. Minister?

Hon. Mr. Macaulay: All right, let us get down to the facts. I would say that if we were to accept even 5 of these 18 it might cost about \$50 million, because the cost of lowering the rural rates by 25 per cent alone was going to cost \$11 million.

Mr. Wintermeyer: Mr. Chairman, of course we can batter a lot of figures around.

All I am saying is that the hon. Minister took Steep Rock—which I think is an ideal illustration—my understanding is that, translated into layman's language, it represents \$200,000. Now, my specific question is this: If the expenditure of \$200,000 not only puts people into work, keeps people working who are presently working for the company, but will induce the expansion of the area, then it is well worth that expenditure.

Hon. Mr. Macaulay: The hon. leader of the Opposition just said \$200,000, and in his speech the other day, on December 8, he said it was \$7,300 a month for Steep Rock. Now \$7,300 a month multiplied by 12 does not come to \$200,000.

Mr. Wintermeyer: Anyway—

Hon. Mr. Macaulay: Now just a minute. The point is this: the hon. leader of the Opposition asks if we do not add that on to Steep Rock, who is going to pay it? How many people is he going to put out of work by passing it on to somebody else?

Mr. Wintermeyer: Well, if we rely on that theory we are never going to get to first base.

What is the hon. Minister going to do about encouraging industry up there?

Hon. Mr. Macaulay: Look, a great many things have been done in terms of—

Interjections by hon. members.

Hon. Mr. Frost: No, I did not say anything of the sort. I did not say that at all.

We did more to bring industry to Ontario by bringing natural gas to northern Ontario than any single factor in the last 50 years in this province. It is a form of industry.

Turn for instance to the great industries of Sudbury, about which I am greatly concerned. If the hon. members try to develop those industries by electrical energy, they are certainly taking hold of a very difficult problem. No doubt the engineers engaged in those great industries up there will tell them that.

The bringing of natural gas to that area made possible the development of those metallurgical industries—and at the Lakehead, too—that was not possible before. The bringing to the Lakehead, Fort William and Port Arthur of natural gas has made possible the processing of iron at that point. It was not possible before, even by electrical energy

or by coal. It is possible today, and I would say that that is one of the great assets in the development of northern Ontario.

The Lakehead used to be a place of almost unlimited power resources because there was a comparatively small population at that time and much undeveloped water power. With the growth of the Lakehead, that power has been absorbed and my hon. friend here will tell me that no longer are there unlimited possibilities for electrical energy.

Today the Lakehead area has been reinforced with the great potentialities of western Canada in natural gas and oil. The energy picture, which was the one that would limit them, has disappeared and they can now turn to the best and most economical use of electrical energy.

That is the situation, and my point is that we in our province should try to develop our energy resources.

One of the problems of this department, and of the hon. Minister in charge, is to develop our energy resources—including nuclear energy, electrical energy from water-power, and thermal sources, and natural gas and oil—in their most economical and useful sense.

I think the hon. leader of the Opposition would say that would add up really to good sense. Now that is the job of this new department; that is what it was created for, that we would not use a horsepower of electrical energy in an uneconomical way, but we would use some alternative, and this all would add up to the real useful development of our energy picture. I think this is true, practical conservation of our natural resources.

Now, Mr. Chairman, may I point out—

Hon. Mr. Macaulay: Mr. Chairman, may I suggest to the hon. Prime Minister that, it being 3 minutes to 6, if I could just finish—just take two minutes—because I want to try to make a final couple of points which will not mean anything if they are introduced were this debate to continue another time.

Firstly, the increase in rates in northern Ontario—if they had not taken place, there would have been in northern Ontario a deficit of \$10 million. As it is, part of the deficit will be taken up by increase in rates and part will be taken out of the stabilization of rates fund—and even so there is going to be a deficit of \$3.9 million.

Now, there are just a couple of other points. In relation to these rates that we have been discussing—municipal and domestic rates today are 7 per cent lower than they were

25 years ago, rural rates are down 18 per cent below what they were 25 years ago. The consumer index in the meantime is up 93 per cent.

The farmers in Ontario pay less for their electricity than do consumers in many cities in the United States. And as I have indicated we have a saturation in our province, of the farms and of the city folks, of in the neighbourhood of 99 per cent.

Now, there were some other specific points in relation to rates which the hon. member for Kenora and the hon. member for Fort William raised and on another occasion we can deal with those as well as with the other problems.

It being 6 o'clock, Mr. Chairman, I would ask that we adjourn.

Mr. Wintermeyer: Will we have the opportunity to pursue this?

Hon. Mr. Frost: We have now spent the afternoon on this. The matter of Hydro, of course, comes up before the committee on commissions.

Might it not be well to let the matter go there where hon. members will have the opportunity, with all of this wealth of information which has been available, to examine Mr. Duncan and others in connection with it?

Mr. Whicher: I might say to the hon. Minister that it was an excellent presentation, and I am sure every hon. member who has listened to him this afternoon would like to hear him continue with his speech.

Hon. A. Grossman (Minister without Portfolio): Yes, but next year hon. members will act as if they had never heard it.

Hon. Mr. Frost: Mr. Chairman, may I put it this way: The hon. Minister has moved the adjournment of this debate and I have carried out, I think, the undertaking I gave to the hon. members last December.

I have not any objection to a further discussion on this matter, but I think the hon. members will agree that, on a subject as big as Hydro, when we get into the question and answer type of discussion we have had today—which I think is very good—it can become interminable. I think that is so.

Now, let us adjourn the matter and see what course it will take.

Mr. R. C. Edwards: Mr. Chairman, I had some questions which I wished to direct with respect to the Hawkesbury situation. When will I have the opportunity to address those questions?

I have been sitting here patiently waiting for the opportunity which has not yet arisen.

Hon. Mr. Frost: Well, the hon. member could discuss those at the committee on commissions.

Mr. R. C. Edwards: Mr. Chairman, do I understand that I would be permitted to do so at the committee on commissions?

Hon. Mr. Frost: Unless it is called again here; we might call it again.

Mr. Wintermeyer: Mr. Chairman, my understanding is this: the hon. Minister made an introductory speech on December 8 or 9, and hon. members asked questions. At that time, the hon. Minister said that in due course he would answer all questions.

Now the questions to which the hon. members are making reference are the questions which have already been asked. I think the hon. Minister, in deference to the time and effort he makes, should have the opportunity of making those answers in this House.

Hon. Mr. Frost: Well, that is satisfactory with me. We will adjourn the debate and call it again later.

Mr. Chairman, I move the committee rise and report a lengthy discussion.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, in moving the adjournment of the House, and adding to what I said this afternoon, I remind the hon. members that there will be a night session on Thursday.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.05 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, February 2, 1961

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 2, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as guests, students from the Blantyre public school, Scarborough, in the west gallery.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. W. G. Noden, from the standing committee on standing orders, presents the committee's fifth report as follows and moves its adoption.

Your committee recommends that, in view of the exceptional and emergent circumstances, the petition of the corporation of the Tilbury district high school board for a private Act be received, notwithstanding the provisions of rule No. 62 and the order of the House of January 24, last, extending the time for receiving such petitions to Monday, January 30, last.

Motion agreed to.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's fifth report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr33, An Act to incorporate the Capuchin fathers of Ontario.

Bill No. Pr42, An Act respecting Université d'Ottawa.

Your committee begs to report the following bill with certain amendments:

Bill No. Pr40, An Act respecting the Young Women's Christian Association of Canada.

Your committee would recommend that the following bill be not reported:

Bill No. Pr41, An Act respecting the board of trustees of the Roman Catholic separate schools for the town of Mattawa.

Clerk of the House: Mr. W. G. Davis, from the standing committee on legal bills, presents the committee's second report as follows and moves its adoption.

Your committee begs to report the following bills without amendment:

Bill No. 30, An Act to amend The Bills of Sale and Chattel Mortgages Act.

Bill No. 31, An Act to amend The County Judges Act.

Bill No. 33, An Act to amend The Coroners Act.

Your committee begs to report the following bill with certain amendments:

Bill No. 32, An Act to amend The Evidence Act.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

THE PETTY TRESPASS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Petty Trespass Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, The Petty Trespass Act is aimed at preventing any person from trespassing upon land which is wholly enclosed, and so on, as defined in the Act. At the present time, the penalty for a conviction carries a minimum fine of \$1 and a maximum of \$10.

This legislation is aimed at affording some protection to farmers from trespassing hunters.

Although many farmers do not object to hunters coming on their property, others have had cause for concern with broken fences, frightened cattle and injury sometimes to animals by stray shots. The present minimum and maximum are not regarded as realistic and the bill now provides for a minimum of \$10 and a maximum of \$100. This seems to be more in line with the type of penalty that might assist in solving the problem.

THE HIGHWAY IMPROVEMENT ACT

Hon. F. M. Cass moves first reading of bill intituled, "An Act to amend The Highway Improvement Act."

Motion agreed to; first reading of the bill.

Mr. H. C. Nixon (Brant): Mr. Speaker, is the hon. Minister going to indicate to the House what amendment he is asking for?

Hon. F. M. Cass (Minister of Highways): Mr. Speaker, this is to correct a typographical error. We apparently now have another body legislating and when the revised statutes of 1960 were printed there was a considerable error made which was not caught by the proofreader. This is to bring the Act as of January 1, 1961 to the condition it was in as of December 31, 1960. Hon. members will find it if they will compare what was in The Highway Improvement Act as amended and is in RSO 1960.

THE VITAL STATISTICS ACT

Hon. J. Yaremko moves first reading of bill intituled, "An Act to amend The Vital Statistics Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, these amendments are designed to bring about more accurate birth records that are at the same time in the best interests of the children involved. I may say that later on this bill will be referred to the committee on legal bills.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, there are two questions which I would like to address to hon. Ministers, copies of which I provided them with in the normal procedure.

The first one is to the hon. Minister of Municipal Affairs (Mr. Warrender). On January 24, as found in *Hansard* on page 647, the hon. Minister of Municipal Affairs stated there is a training course for unemployed established in Atikokan. My information from persons in Atikokan, who are extremely interested in such a course, is that they know nothing of its existence or whereabouts. Can the hon. Minister throw some light on the situation?

Hon. W. K. Warrender (Minister of Municipal Affairs): Yes, I can, Mr. Speaker. I find out that what the hon. member has drawn to my attention is correct. There is no course at Atikokan. I found out that when the information was given to me, and which I

gave to the House some time ago—that is the comprehensive statement I made concerning the employment conditions in Ontario—that portion giving names of places where a survey is being made, got mixed up with the portion where it was indicated actual training courses were now taking place.

I find now that is incorrect and I admit that quite frankly.

But I do say that a survey is being made in Atikokan. They want to find out the numbers involved, and the facilities available in Atikokan. If the facilities are not such as to warrant a training programme in Atikokan, provision will be made for them to be trained elsewhere. As I have been told by the hon. Minister of Education (Mr. Roberts), they will be assisted by having their tuition paid and there will be provision for transportation and living allowances.

An hon. member: Is the hon. Minister sure he has his notes straight this time?

Hon. Mr. Warrender: I hope so.

Mr. MacDonald: Well, we do too, after the chastisement we got the other day for being a little confused.

Hon. Mr. Warrender: The hon. member asked for that.

Mr. MacDonald: Well, the hon. Minister asked for this one, too.

Hon. Mr. Warrender: Well, I got it, and I apologize.

Mr. MacDonald: Mr. Speaker, the second question I would like to address to the hon. Attorney-General (Mr. Roberts). Since Judge Forsyth's decision in the bribery charges, arising out of the Sweet report, reveals serious weaknesses in important sections of the criminal code designed to cope with corruption of elected representatives, is the hon. Attorney-General in a position to inform the House as to whether the Crown intends to appeal this judgment?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, the way this question is worded, it is almost apparent that the answer to an appeal would not be a correction. If my hon. friend is right in the first part of his question, which refers to very serious weaknesses in important sections of the code, obviously—if there are such things as weaknesses—appealing would not correct them. The correction would have to be made by correcting the code if it required correction.

With that preamble, my hon. friend asks whether I am in a position to inform the House if an appeal from the judgment is to take place. I will merely say that the evidence, which has taken some little time to be typed, was received last Friday afternoon and is now being examined by the law officers of the department.

Mr. MacDonald: Mr. Speaker, in regard to the earlier comment of the hon. Attorney-General, what I was attempting to say was this: the judgment of his honour was that if the bribe, or the alleged bribe, had not been paid until after the vote had actually taken place, then it is not a bribe in accordance with his interpretation of that section of the criminal code.

My point is simply this: that if this is a valid interpretation that it is not a bribe when payment is made after the vote takes place, then surely this was not the intention of the framers of the Act; at least I would hope it was not the intent, and we should take a look at the Act.

Hon. L. M. Frost (Prime Minister): We did not prepare it. That came from Ottawa.

Mr. MacDonald: That may be true, but if Ottawa is not going to do anything about it, we may be able to consider, in the committees which the government is setting up, what we can do to correct that kind of thing.

Hon. Mr. Frost: Criminal law is federal, you know.

Mr. MacDonald: At least by appeal we can get the interpretation.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the fifteenth annual report of The Department of Travel and Publicity for the calendar year 1960.

Mr. V. M. Singer (York Centre): Mr. Speaker, before the orders of the day, I have a question for the hon. Attorney-General of which notice was given.

In view of the resignation of Dr. Jan Verhulst, director of clinical services of the Metropolitan Toronto juvenile and family court, would the hon. Attorney-General tell us the circumstances surrounding Dr. Verhulst's resignation and if it is the government's intention that this clinic be continued?

Hon. Mr. Roberts: Mr. Speaker, in answer to the question by the hon. member for York

Centre, I would say that for about 40 years clinical work has been associated with the operation of the juvenile and family court in Toronto. There would, therefore, be no thought of discontinuing this service.

The House will recall that on September 1, 1959, an advisory committee composed of Mr. Harry C. Doughty, Mr. William H. Bury, Mrs. Anne R. Dubin, and Miss Cezarina M. Wysocki as secretary of the committee, with the Deputy Attorney-General an *ex-officio* member, was set up, and I would like to pay tribute to the work of this committee. It has spent a great deal of time and given a great deal of study to the problems with which the juvenile and family court has to deal.

This committee met with me this morning and will meet with me again late this afternoon. In the meantime, the senior judge of the court, Judge Stewart, will interview Dr. Verhulst and other members of the staff. Until this has been done and a further report made to the advisory committee, I believe that it is in the public interest to make no further statement in this connection.

However, at this point I would like to give the House the facts furnished to me this morning about the alleged assault of a juvenile, which occurred in the autumn of 1960. It was observed by a nurse and reported verbally to the director of social services.

I am informed that his investigation showed that a supervisor was attacked by a 15-year-old youth who had to be restrained, but that such restraint did not include banging his head against a wall or any kind of physical injury. I am further informed that no other incident of such a nature has been reported to the director.

I have the assurance from the senior judge and others who are fully familiar with the day-to-day practices in the detention home that there are no unduly repressive measures adopted. Everyone realizes, of course, that discipline must be maintained and, in saying that, I take this into account.

As the staff knows and has known for a long time, untoward physical force is not to be used in maintaining discipline, on pain of dismissal.

Mr. Singer: Mr. Speaker, by way of a supplementary question, would the hon. Attorney-General give us his undertaking that at the appropriate time he will tell the House a little more about this? I can understand that, at this time, there are certain things that should not be discussed.

Hon. Mr. Roberts: As soon as I am in a position to make a definite statement in connection with the matter, I shall do so.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, we are all interested in a statement which I understood the hon. Prime Minister would make to the House this afternoon with respect to the situation that prevails between this government and the federal government in the resumption of the federal-provincial conference.

Hon. Mr. Frost: Mr. Speaker, the anxiety of the hon. leader of the Opposition intervenes between me and the opportunity to make this statement to the House. However, Mr. Speaker, I am prepared to make the statement.

On Tuesday, January 31, the hon. leader of the Opposition asked me to indicate what effect the renewal of the federal-provincial conference proposed for February 23 and 24 would have on the time of the introduction of the budget in this House.

This is a proper question, which requires a comprehensive answer, and in giving the same I would refer the hon. leader of the Opposition to what was said here on Thursday, January 26, as reported on page 702 of *Hansard*, and also what I said last Tuesday when I read the letter of the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) dated January 30, 1961.

On Tuesday I pointed out that the Rt. hon. Prime Minister's letter had to be read in context with the statement made by the hon. federal Minister of Finance (Mr. Fleming) the afternoon and evening of January 30, which was not then available. This, I have since been able to read very carefully.

In answering this question, I should like first to refer to the status of the conference. The conference was convened in Ottawa on July 25, 1960. It was resumed on October 26 and adjourned on October 28 last.

The conference did not produce any concrete proposals from the federal government.

This is confirmed by the hon. federal Minister of Finance's statement on January 30 to which I have referred. To this matter he made a number of references. He said:

After the October conference the Prime Minister on behalf of the federal government put forward, not any take-it-or-leave-it proposition, no package proposal, but what was described by him and treated throughout the conference as suggestions.

This entirely confirms my own appraisal and that of those who were with me at the conference and it is the situation to date.

I would point out that the pattern of the previous conferences had been that, after discussions with the provinces, the federal government made firm proposals. Following the conferences held in 1955, the firm proposals were submitted in a formal letter on January 6, 1956. Accordingly, in view of the fact that our Legislature was opening its session on November 22 and was advancing its usual time table, I had pointed out the importance of an early decision, as far as we were concerned, and that was the basis for my saying what I did on January 26, appearing on page 702 of *Hansard* and I quote:

I understand that the decisions will be forthcoming shortly.

Upon that belief, I announced that the budget might be introduced about the middle of the month of February.

I have stressed the importance of the federal government reaching decisions in these matters. At the conference meeting on July 25-27, 1960, I said:

I should emphasize how important it is that decisions should be made without delay. The provinces and certainly Ontario cannot plan a programme of expansion, nor can we meet the incidence of expansion which has already taken place, on the indefinite possibilities that the international scene may so improve, or that our conditions change in two or three years, as to permit a cutback in national defence or other spendings.

The needs and requirements concerning Ontario—and, I assume, other provinces—are not of the nature that can be tailored to so tenuous and uncertain a contingency.

That is the end of the quotation.

I pressed this view throughout the conference, and I have done so on many occasions since. The situation, as at this date, is that no firm proposals have been made in response to the provinces' representations to which I shall refer. We are in the position of the conference being resumed on February 23, to consider certain suggestions. Clearly, a budget comprehensively dealing with the province's plans and commitments cannot be introduced on the date I suggested, namely, about February 14.

Having dealt with the status of the conference, I should tell the House about Ontario's position. Frankly, what we propose is not in the form of suggestions, they are very

positive proposals. In principle I have never varied them.

The situation can be simply stated this way:

Since the conference of 1945, the situation here in Ontario has changed almost beyond recognition. In this period of time our birth-rate has reached the highest point in our history. Our population has increased by over one-half. Over half of the new Canadians coming to Canada have settled in this province.

More than \$28 billion has been invested in new factories, homes and other private and public assets of all kinds. We have had to meet the exacting demands of one of the fastest growing populations and industrial structures in the world.

The end is by no means in sight. The financial pressure of meeting these inescapable demands, which are related to Ontario's policy of expansion and development, is causing our fiscal problems. We have asserted throughout, and I assert now, that it is essential for us to insist upon our share of the corporation and personal income tax fields in which we have at least an equal right with the federal government.

Over the years I have never departed from this position and, sir, I do not propose to do so now. We are dedicated to the expansion of our province. We believe that in this critical and challenging day, this is what we should do and what we must do. Development and expansion should be provincially financed from the productivity arising from the development of such expansion and that is why we lay such stress on the right to our share of progressive taxation, the revenue from which reflects the material growth of our province.

Our problems are staggering. In the last dozen years or so, the enrolment in our elementary and secondary schools has doubled after being virtually static for a score of years. In 1965 or 1966 our school population will have reached about 1.8 million, which is 3 times as many children in our schools as in 1945, just 16 years ago. In the next half-dozen years we are going to be required to finance at least \$.5 billion for additional elementary and secondary schools alone, to say nothing of paying or helping to pay for the teachers and the other staff and facilities required.

Quite frankly, with the revenues from the progressive tax fields quite inadequate for the job, the province has bled itself white in helping school boards and our municipalities. In 1945, the grants to

primary and secondary education were about \$8.5 million a year. Today, they are 20 times greater or \$166 million. These grants have doubled in the last 4 or 5 years.

The impact of growth has been severe, not only for the province but for the municipalities.

At the present time, Ontario's assistance to its municipalities, school boards and local agencies will be roughly \$350 million. This huge programme has been required to keep our municipalities financially afloat and to prevent our municipal taxpayers from being completely submerged by the cost of development. The comparable figures are that, when the federal-provincial conference of 1945 was convened, \$21 million or 18 per cent of our revenues were devoted to assisting the municipalities. Today, 45 per cent or \$350 million is being so devoted and certainly the end is not in sight.

Despite the twentyfold increase in municipal assistance since 1943, the problem of the municipalities and of education is formidable. Over the next 15 years, for the province and the municipalities, it will be nothing less than staggering.

This problem must be faced up to realistically if the province and its municipalities are to play their assigned role in the development of our economy. What has taken place in the last 15 years will be no exception to what is going to take place in the next 15 years, provided we devote ourselves, as we must and as we should, to the expansion and development of this country and our province. Our right to this half-continent in a land-hungry world demands nothing less.

With this background, let me refer to the position we have taken. Going back to the conferences of 1955, we asserted, as we have asserted before, that this province was being treated unfairly and unrealistically. Our present situation stems from the federal proposals of 1941 and 1942, with which the hon. member for Brant and the hon. member for Grey South (Mr. Oliver) are quite familiar, and which were dictated by the stress of war and crisis.

They were not proposals—I think that will be agreed—they were take-it-or-leave-it demands. The provinces were faced with a situation which gave them no choice.

With the end of the war approaching, the 1945-1946 conference was held, and in many ways the principles of the dictated arrangements of 1941 and 1942 were embodied in the federal proposals at that time. On entering the tax rental arrangements in 1952, I

stated we did not view them as anything more than improvisation or a stopgap. This was our position in 1955. At that time, we pointed out our right, constitutionally, to one-half of the productivity of the fields of succession duties, personal income and corporation taxes, and the fact that our development should be predicated upon, and should be paid for, by progressive taxation.

It was then that I put forward the 15-15-50 formula which would have given this province about \$100 million more a year at that time. That this was essentially a just and fair proposal is evidenced by what has taken place in the meantime.

It was advanced not as a final settlement of the matter, but as a reasonable and logical step in that direction.

This proposal was rejected. Instead, the province received the completely unrealistic and inadequate share based on the 9-10-50 formula.

In other words, instead of obtaining that to which we were entitled constitutionally—one-half of these fields—we obtained only one-fifth of corporation taxes and one-tenth of personal income taxes.

In 1957-1958, the Diefenbaker government indeed took some quite welcome steps to recognize this situation. The province's share in personal income tax was increased from 10 per cent to 13 per cent. This meant approximately \$22 million or a little better than one-fifth of our minimum demands.

The totally unfair .45 per cent threshold provisions—which no doubt will be elaborated on by my hon. friend here this afternoon—were abolished, and some other things were done for which I give the Diefenbaker administration due credit.

It did not take shelter behind the 1957 agreements and proposals. It did these things which were a partial recognition of the province's just contentions.

This brings us up to the 1960 conference which commenced on July 25 last. What I said is on public record. In order that the same may be readily available, I am going to have copies of this distributed in this House after I have read this statement, because I think it is a statement worthy of consideration, and I will be glad to have the hon. members look at it thoroughly.

I again assert the province's right to share equally in the direct and progressive fields of personal income, corporation taxes and succession duties.

I pointed out that the conference of 1945 treated the proposals at that time as being

temporary. I said that this element had persisted in succeeding conferences, and I asserted that the time had come for some finality.

I said this last July, and I quote:

It is time for positive action; it is time for a new look, a new approach and a new deal.

The requirement of \$100 million in 1955—which the hon. members opposite laughed about at that time—from our own fields, was at that time unjustly denied us. Today this requirement would be at least \$150 million, not taking into account the effects of our having been deprived of the \$100 million which we should have had from these fields since 1957.

The 15-15-50 formula was put forward in 1955 as a substantial step in the direction of justice to this province. While we have asked for our rights of a 50-50-50 division, we are perfectly prepared to consider a reasonable step towards the fulfilment of that objective over a period of time.

It is on this point that we have awaited a federal decision arising from the conferences and discussions of July and October last, and that is the position to this date. Until these fundamental questions are answered, the province is simply unable to comprehensively appraise its position and make its plans for the future.

That brings us to the present position. The budget we contemplated for about the middle of February, and which necessarily would have to be predicated upon federal decisions, is not possible. As the matter now stands, we shall have to wait until February 23 and 24 to see what emerges from these meetings.

I do not think that it is either wise or necessary to discuss the various alternatives which might be taken at that time. These things I shall discuss with the House immediately following the conference on February 23 and 24.

One problem with which we are faced is in relation to provincial grants to municipalities and boards of education. The hon. Minister of Education had intimated previously that he would do his best to announce such grants by January 15. This announcement was postponed for one month in view of the anticipated introduction of the budget in mid-February.

I recognize the necessity of councils having shortly to strike municipal and school board tax rates. Accordingly, the school boards and municipalities will be notified at once to proceed upon the basis of the grants

applicable in this year, which in all cases take into account the normal growth factors of population both general and in our schools.

This in itself will involve very large increases in our contributions to the municipalities and school boards—very probably, in the matter of education, something in the order of \$25 million.

I desire again to emphasize to this House that we from Ontario are only seeking what is our right under the Constitution. We are not asking the federal government to pay us anything.

The old argument that the federal government cannot afford to do this does not apply. We are only asking for that which is our own. We ask for the 50 per cent of the productivity of the direct fields of personal and corporation income tax which constitutionally belongs to us.

As I said last July, which will be found in that speech or statement which I shall distribute and which I hope the hon. members will read with great care:

We propose that a start be made at once, and the adjustment towards equal participation in the two fields be progressively achieved over the next 5 years.

The crux of the problem is that the province and its municipalities must have additional revenues. Owing to the federal government's entrenched position emerging during World War II the provinces obviously cannot increase rates in these fields. Corporation and personal income taxes are already very high—perhaps too high at the present time.

The only effective way by which the provinces can obtain their rights in these fields of direct taxation is by the federal government progressively withdrawing from the provinces' half share of these fields. This is, and has been, our position.

I think it will be agreed that Ontario's budgeting and financing plans are dependent upon the receipt of realistic answers to the proposals which we have placed before the conference which, it is anticipated, will reconvene on February 23 and 24. These proposals are a reiteration of the policies and the point of view of this province which I, very many times, put before the people and the conferences in former days.

I think that that is the comprehensive answer I promised my hon. friends.

Mr. MacDonald: I have an inquiry with respect to the business of the House. In view of the fact that we are not going to have a

budget before February 23, can the hon. Prime Minister give us any indication as to when he might rescue the unemployment resolution from the shelf and permit some debate on it?

Hon. Mr. Frost: Surely. But I would say we will have very considerable business before the House. This is not an interlude at all. Our time between now and February 23 will be very fully occupied. There are a great many things to be considered by this House, all of great interest.

As regards the unemployment matter, there will be many occasions upon which it can be discussed, and I have no intention of ruling that question under the table. I am one of those who believes in bringing the unemployment problem out on top of the table.

Mr. MacDonald: Mr. Speaker, I asked the hon. Prime Minister a question and—he is one of the most skilful politicians in this House—he did not answer it.

My question was: Is he going to permit the want of confidence amendment to the unemployment resolution to be debated in this House? I am not interested in all the other occasions on which we can debate on unemployment. Is this resolution coming back to the House?

Hon. Mr. Frost: Mr. Speaker, I would say that these things will be considered in the fullness of time. It is hardly necessary for me to say this, arising out of the statement that I have made, but I see that my old friend hon. Paul Martin is again indulging in statements.

I was interested to read in the *Toronto Globe and Mail* of this morning that: "Martin Charges Fleming Tries to Set Up a Secret Deal."

Mr. MacDonald: Secret deals?

Hon. Mr. Frost: I would not want to bother hon. members by reading the whole article, other than to say that the article says:

Liberal front bencher Paul Martin, Essex East, suggested today there are good grounds for believing that there is a secret undertaking between the Ontario Premier Leslie Frost and Finance Minister Donald Fleming in opposing federal equalization payments to the poorer provinces.

I am not going to elaborate, but I would ask this: Is there anything in the statement I gave to this House this afternoon that bears

any resemblance to a secret deal with hon. Mr. Fleming on this or any other matter? What he says is utterly and entirely unfounded.

Also, I was quite interested in this. I have not seen the statement of hon. W. A. Bennett, the Premier of British Columbia, to whom this matter was referred, but I understand that hon. Mr. Bennett has said that this statement is utterly ridiculous and unfounded. He has been present at the conferences and has heard what has been said.

My good friend hon. Paul Martin has had as much opportunity as hon. Mr. Bennett to know this. I think myself that he would do a great deal better to try to view the just claims of his province, without trying to tangle them up in politics, and find a solution which is going to contribute to the success of the conference.

May I point out that hon. Mr. Martin is a resident of this province. He has been elected in this province and he has had as much opportunity—or almost as much opportunity—as I have had to assess the needs of the little public and separate schools and municipal taxpayers in this province. Surely this is not a time to play politics with their interests, but rather a time when, regardless of party, we should help them with a solution of their problems, a solution which I assure hon. members will contribute very greatly to our country's development.

Mr. Wintermeyer: Mr. Speaker, the first statement which the hon. Prime Minister made, I thought, should rest on its merits. But I suggest the second statement which he has just made is political in the extreme and certainly requires a reply.

I have not talked to hon. Mr. Martin since that statement was made but I can make, I am sure, as the hon. gentlemen opposite can make, an intelligent inference.

The simple proposition is this, that the hon. Prime Minister did side in with the hon. federal Minister of Finance at the last conference when he opposed the other provinces in their demand for a flexible equalization payment.

On that occasion the hon. Prime Minister let the people of Ontario down. Now that is exactly what the hon. Prime Minister did. He says here that he has an equal right with the federal government constitutionally. He has no such thing. He has a right on his own merits to tax what he thinks is necessary to exercise his responsibilities the same as that government has.

Mr. Speaker, I will never let these misleading statements go by without protest.

The fact is that Ontario for the last 12 years has been unwilling to stand on its own feet. If it had the courage to exercise its constitutional responsibility, we would not be in the difficulties we are in today. The simple fact is that we are in difficulties because this government has not had the courage to exercise its constitutional responsibility.

I am prepared, Mr. Speaker, to co-operate with the government in any way possible, but I wonder if the opposite is true?

An hon. member: The hon. leader of the Opposition is out of order.

Mr. Wintermeyer: The hon. member says I am out of order. Mr. Speaker, I am not going to proceed without permission; am I in order or not?

Mr. Speaker: The leader of the Opposition may proceed.

Mr. Wintermeyer: Thank you.

Now, Mr. Speaker, the point that I am making is this: We have constantly been told by the hon. Prime Minister that the federal government has failed to understand the legal constitutional issue. There is no such a thing as equal rights to the total cash revenue in this field; it is an equal right to exercise a tax facility, an equal right to tax.

If this government had done what it should have done many years ago, we would not be in the fix we are in today. In election after election, this government has gone about and said: "Look at all the good things I am doing for you." But the fact is that this government did not pay for those things, and now they have to go back to the people and ask for them.

And in order to avoid embarrassment today, the hon. Prime Minister is trying to blame another government.

Mr. Speaker, it is about time that we viewed this in a realistic fashion. Ontario needs more money, should have more money, and will have to get more money, to exercise its responsibilities. But the difficulty we are in today is not the fault of the federal government any more than it is the fault of this government in not exercising its responsibilities.

Hon. Mr. Frost: Hon. members opposite have pulled the plug for years.

Interjection by an hon. member.

Mr. Speaker: Order. I would point out once again that these statements before the orders of the day should be non-argumentative and non-provocative. I would point out to

the members also that, after such statements before the orders of the day, questions are in order, but certainly not speeches at that particular time.

Mr. R. M. Whicher (Bruce): Mr. Speaker, I would like to say this—

Hon. Mr. Frost: The hon. member for Bruce is quite out of order. I was asked a question and I gave a considerable reply. I think I was perfectly entitled to refer to hon. Mr. Martin's totally unfounded remarks concerning myself. With respect to the hon. leader of the Opposition, I would observe this: He is entitled to some latitude, but I do not think that this subject is debatable. I think the hon. member is out of order.

Mr. Whicher: Mr. Speaker, I wanted to say this just as a little preamble, that on numerous occasions—

Hon. Mr. Frost: Mr. Speaker, I prefer not to answer any further questions, if that is all right.

Mr. Whicher: Mr. Speaker, where is the \$100 million that the hon. Prime Minister has promised us? Where is it?

Hon. Mr. Frost: Mr. Speaker, may I announce to the House that next Wednesday the committee on health will be meeting, and at that time the hospital services commissioners will give to the hon. members a full outline of their operations in the last two years, and the prospects and trends in the next two or three years, which I think will be of value.

I thought I should advise the House so that the hon. members can make arrangements accordingly.

Mr. F. R. Oliver (Grey South): Mr. Speaker, I want to ask the hon. Prime Minister if he is sure this afternoon whether the conference will be held in February or in March?

Hon. Mr. Frost: No.

Mr. A. Wren (Kenora): Mr. Speaker, may I ask the hon. Prime Minister a question on his announcement about the health committee? Would it be possible to hold the meeting of the health and welfare committee in this chamber so that the minutes of that committee meeting could be very carefully recorded? I think the public is very interested in the whole operation of the hospital scheme and I think it would be advantageous to everyone if it were held here and recorded by *Hansard*.

Hon. Mr. Frost: There are difficulties about holding this meeting here. In a meeting as important as this, I would be very glad to see if the matter could be reported. We did that, if the hon. member will recollect, in the meetings of the committee which were a prelude to us entering into this plan.

Mr. T. D. Thomas (Oshawa): It was a very good idea.

Hon. Mr. Frost: I think so, and I will try to do that.

As a matter of fact, I think it would be very worthwhile and perhaps we can arrange for the necessary reporters to do the work. I will ask the clerk of the House if he can make arrangements. As a matter of fact, a system such as this, being question and answer and so on, might be a little difficult to operate. Perhaps it might be done better by *Hansard* reporters who are qualified and able to do that type of work.

Mr. MacDonald: Mr. Speaker, I would like to thank the hon. Prime Minister for this and for another reason of which he perhaps is not aware.

The chairman of the conservation committee has arranged a very good programme which is going to take all those of us who are members of that committee away for the whole day so that we cannot come to this health meeting, although we would like very much to be here, so if we can have a recording of what takes place—

Hon. Mr. Frost: I will arrange for it. I will see that it is done.

Mr. Singer: Mr. Speaker, will the hon. Prime Minister have made available to the hon. members in advance of that meeting whatever written material is going to be referred to so it could be studied?

Hon. Mr. Frost: I will discuss that with the committee. We will try to make as much available as possible.

Tomorrow morning we might use up at least part of the time to clear up items on the order paper. There are a lot of items on the order paper now which perhaps are relatively routine—if anything is routine in these days—and we can clean those up and then proceed with the Throne debate.

Mr. Speaker: Orders of the day.

The House, upon order, resolved itself into the committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF PUBLIC WELFARE

Hon. L. P. Cecile (Minister of Public Welfare): Mr. Chairman, in introducing the estimates of The Department of Public Welfare, the hon. members of the Legislature will be aware that the province has indeed assumed very large commitments. We are asking for the unprecedented amount of \$50,997,000 from provincial taxing sources.

I might add that in all likelihood about \$96 million will be expended by the 3 levels of government to finance the programmes and services coming under the administration of the department. Ontario's share of these expenditures, Mr. Chairman, will be somewhat more than 50 per cent of the total.

The largest sum being sought will be for general welfare assistance. A gross expenditure of \$26.6 million will probably be required to ease the distress of persons who are welfare charges on the municipalities. Old age assistance will require \$13,821,000; disabled persons' allowances, \$9,177,000; blind persons' allowances, \$1,180,000 and mothers' and dependent children's allowances, \$14,510,000. Children's aid societies' disbursements will amount to about \$14 million, and homes for the aged capital and maintenance, \$13 million.

In addition, there will be substantial expenditures for medical services, homemakers' and nurses' services, rehabilitation and day nurseries.

Based on a total expenditure of \$75 million for the fiscal year ending March 31, 1959, for all welfare services in the province, Ontario's share was 52.5 per cent, the federal government's 27 per cent, the municipalities' 14.7 per cent, and 5.8 per cent was from private sources.

The latter is representative primarily of private funds disbursed for child welfare and charitable institutions. This distribution is derived from the accumulated figures and indicates a per capita of population expenditure of \$13.49 for the year. The municipal per capita was \$1.99.

I would suggest that one aspect in the financing of welfare services that is sometimes overlooked is that of provincial funds made available in the form of municipal unconditional grants. Hon. members will recall that, when this grant was established originally, it was geared principally to the relieving of municipal welfare costs. The per capita grants in the first instance were determined on the relative expenditures for welfare services in the municipalities.

A study which we have made of the relative expenditures from public sources in the municipalities of Ontario reveals indeed some interesting results.

I might cite, for instance, the county of Essex, including the city of Windsor, because its expenditures are closely related to the annual provincial average of \$13.49 per resident of the province. For this county with a total assessed population of 249,703 persons, including Windsor with 119,319, the municipal expenditures were \$526,729.

The total unconditional grants, however, paid to municipalities within the county were \$933,463. Each of these municipalities would show a surplus if the unconditional grants had been utilized for welfare purposes alone.

It should be further noted that a gross sum of \$3,374,341 was expended in the county during the year for the various welfare programmes established under provincial legislation.

Different conditions, of course, prevail in the various areas of the province. In a county such as Essex, general welfare assistance accounts for the largest expenditure; in others, child welfare maintenance is the major item of expenditure.

The city of Oshawa provides an interesting comparison.

In the year ending March 31, 1957, prior to federal participation in local relief costs, the share absorbed by the city of Oshawa was \$23,800. The cost of relief to this city last year was \$34,456. Oshawa's expenditures for the homes for the aged maintenance, child welfare, day nurseries, and homemakers' and nurses' services brought the total to \$72,477 last year. Its unconditional grant amounted to \$219,052.

In passing, I might say that the city of Oshawa has recently completed the construction of a fine new home for the aged. This joint effort between the province and city, I am sure, worked to the advantage of all concerned.

I would point out, however, that our homes for the aged programme accounts, in part, for our increasing expenditures. Next year we anticipate a provincial expenditure of \$6,891,000 for the operation, maintenance, and construction of public homes for the aged and charitable institutions for the elderly operated under the auspices of private organizations.

The new concept of specialized care in homes for the aged that has been developed in Ontario is unparalleled as far as I am aware. The growing emphasis is on the provision of bed care and semi-bed care for residents who

do not require active hospital treatment, but who are unable to manage in comfort elsewhere.

With the inauguration of hospital insurance, homes for the aged have provided many beds for persons who are not acutely ill.

The geriatrics centre at Lambert Lodge, which is operated by the province in co-operation with Metropolitan Toronto, is taking progressive steps in offering improved medical, nursing and therapeutic care.

I should add that the trustees of the Toronto Western hospital are also placing emphasis on the treatment of elderly persons. They have established a separate ward in their new addition to administer medical treatment to elderly persons. The province assisted in making this ward possible as a pilot project by making a special grant of \$152,000. A working arrangement is in effect between the geriatrics centre and the medical staff of the geriatric ward. This is an encouraging development in promoting advanced medical services for our elder people.

Although we do not propose to introduce legislation under The Child Welfare Act, I must say, Mr. Chairman, that I have some reservations as to the present operations of our child welfare services which were initiated in the 1890s. The administration of our child welfare programme is vested in the 55 children's aid societies of the province, and, while we have met with success in the adoption of children, there continues to be a great many temporary and permanent wards in the care of societies. The latest figures available show that 12,840 children are wards of the societies.

Needless to say, expenditures for child welfare have multiplied over the years. Expenditures in Metropolitan Toronto are about 65 per cent over what they were in 1955. There has been a growing awareness on the part of some municipalities of these increasing expenditures. While the cost is worrisome, I have a deeper concern with the number of children being taken into care, and with the shuffling of some children from foster home to foster home after they are removed from their parents.

I think it would be timely to review the child care programme in the province, and I expect to explore this matter with the most competent organization of its type—and that, Mr. Chairman, I expect to do as soon as possible—the child welfare league of America. I hope to be able to arrange with this organization to review, not only the administrative features of child welfare in Ontario, but also

the services that are afforded to children who are in care.

So that there will be no misapprehension in this matter, I should say that one of the most important welfare tasks in the province is that of assisting children who need specialized services. Many of the societies are, in my opinion, doing an outstanding job, and there is no question that the intention of all societies is to give the best possible care to children who have been mistreated, or otherwise neglected, by their parents.

I have been impressed particularly with the preventive services maintained by some societies, and the determined effort of others in the adoption field. The societies who have stressed their preventive services have shown remarkable skill and judgment in resolving family problems, and thus enabling children to remain in the care of their parents.

A few societies have shown out-of-the-ordinary initiative in providing every advantage to children requiring their services. The children's aid society of the county of Perth illustrates an enlightened approach.

I should first say that this county has a population of about 55,000, yet there are only 25 children, mainly in foster homes, who are in the physical care of the society. The local director of this society, Mr. Harold B. Treen, takes a realistic view in its administration. The 25 children currently in care compares to 148 children who were in care in the year 1948. I would suggest that this is an outstanding achievement.

The Welland county society also reports a similar trend, and several others are taking positive steps to reduce their child care population.

Of the larger societies, those in Hamilton and Windsor, in particular, are progressive in their approach.

Mr. Treen has stated his philosophy of child welfare in part as follows:

Whenever possible, it is better for a child to be brought up by his natural parents than in foster care facilities of any kind. A child has only one set of natural parents, and he knows it.

Mr. Treen and his staff have also found suitable adopting parents for 16 older and handicapped children, and all of these placements have been of a permanent nature.

I think we must ask ourselves why the activities of this society have had such favourable results in relation to others, particularly those in the larger urban areas. The answer to this question bears directly on the problems we face in child welfare, and,

incidentally, the expenditures in operating the society in Perth county have decreased in the past few years from \$54,000 to \$51,000.

A most detailed study of children's institutions has been in progress under the chairmanship of the capable Miss Bessie Touzel, executive director of the Ontario welfare council. I am indebted to Miss Touzel and her committee for the time and effort which they have devoted to this study, and expect to have a report from them shortly for further consideration.

Perhaps I should explain that over the years there has been a decided change in the concept of institutional care for children. While they previously offered dormitory accommodation for large numbers of children, the recent trend has been to specialized treatment centres employing group therapy. I am hopeful during the current session to report on developments in this field.

Children are also served within their own family setting through our mothers' and dependent children's allowances legislation. Mr. Chairman, as you will know, mothers' allowances are paid wholly from provincial sources to maintain families where the father is deceased, disabled or absent from the home. Our expenditure next year is estimated at \$14,510,000.

Day nurseries is another important programme directed toward the well-being of children, particularly for children in families where the mother is working. The cost of operating public day nurseries is shared equally by the province and the municipalities.

There has been some concern because the whole North American continent is experiencing a letdown in employment opportunities. I should say that I, for one, am satisfied that this slowdown is not of a permanent nature. I am confident that economic conditions in Ontario, at least, will accelerate and absorb even a greater working force than that employed at the present time.

It will be understood that where unemployment occurs, the major source of income to carry persons temporarily without jobs is that of unemployment insurance. This insurance scheme, as hon. members know, comes under the administration of the federal government.

Public funds are, of course, available to needy persons through the municipalities in the form of general welfare assistance, and are, for the most part, expended on the basis of schedules which are included in the regulations. It should be made clear that the schedules merely set forth the maximum amounts in which the province will share. The administration of general welfare assist-

ance is in the hands of the local municipalities and they determine the measure of assistance to be granted to individuals and families.

I am pleased to announce that studies have now been completed which will mean an upward adjustment in the amounts of shareable allowances for certain items. These will be primarily an increase in allowances for clothing and milk which comprise part of the pre-added budget in the regulations, and in shelter allowances. The overall increase resulting from these adjustments is estimated to be in the neighbourhood of 15 per cent.

The new schedules will be distributed to the municipalities as soon as they are printed.

I might say that, with the exception of the city of Toronto, we had not heard of any municipality taking issue with the present amount of shareable aid, but I am pleased that the executive of the Ontario welfare officers' association concur in the revisions that are now being made. I might add that the department works in constant and close harmony with local welfare officers throughout the province.

It does happen, however, that agreement is lacking on the part of some municipalities for any steps to be taken at this time to increase shareable allowances. I quote from a letter received during the past week from one municipality with a population of almost 7,000 persons. The clerk writes in part as follows:

It would appear that, in many of the cases, the amount of welfare that is payable out of the new regulations exceeds unemployment insurance and it would look like the news of this would certainly spread to the effect that welfare will now pay higher than a person can get under unemployment insurance regulations.

The clerk of this municipality has, of course, been informed that the actual amount of assistance is left to the discretion of the municipality.

It should be remembered also that family allowance payments are not calculated as income for budgeting assistance payments, and this source of income augments the allowances that are paid. It is significant, as well, that in the course of the past year 836 municipalities granted assistance to needy persons. It appears, therefore, that 140 did not find it necessary to issue local assistance, or, if they did so, paid it from their own taxing sources without making a claim for reimbursement on the province.

I will make one further comment concerning the general welfare assistance programme to

remind the House that the majority of these cases require assistance only for a short time. They are rarely permanently in need of assistance, either in whole or in part, to maintain themselves.

During the past year, 27 Indian bands took advantage of provincial legislation enabling them to establish their own local welfare administrations. These bands now act towards their citizens in the same manner as municipalities. I should remark that they have accepted their responsibilities adequately, and are making every effort to administer to their local welfare needs in an acceptable manner.

I would like to mention at this point that there is active interest on the part of many counties in the consolidation of welfare services at the county level. The county of York is the first to approve a bylaw giving effect to the single administration of general welfare assistance under the auspices of the county government. Several other counties are looking with favour on this plan of administering local assistance.

The hon. members will recall that in previous years I have referred to the problems of older workers who become unemployed and unable to find jobs. It was refreshing for me to read an item in the press about 10 days ago in which it was reported that one company has a policy of hiring those of 40 years of age and over.

I quote from the *Toronto Daily Star* of Tuesday, January 24:

Here's good job news for the over 40's. Royal Crown Cola, less than 4 months old in Canada, has established a hiring programme for persons in this age group.

"We are attempting to create a family of employees on the basis of their ability and experience," says president Norman Ranney, who himself has come back from retirement twice.

"Rejecting a job applicant simply because he is over 40 can be a serious hazard to our economic growth," he said.

"We cannot subscribe to any theory that a man or woman over 40 is a detriment to a pension plan. We are designing a scheme to take care of our pension plan needs which will most probably extend the retirement age to 70.

"Of the company's present staff, more than 30 per cent are over 40 years of age," he said.

I would like to commend the management of this company for the good judgment they are showing in utilizing the experience and

skills of older workers. Theirs is an example which might well be emulated by other employers.

Ontario's method for the provision of home and office medical services for indigent persons is outstanding in its field. The medical profession in Ontario is now administering a fund of about \$2.8 million which is provided by the province to ensure medical services for persons in the various categories of assistance.

A question that has received a lot of attention in recent years is that of the training of personnel for the welfare field. I am pleased, therefore, to announce the appointment of an advisory council for public welfare training under the chairmanship of Professor Charles E. Hendry, director of the school of social work of the university of Toronto.

This council, consisting of 6 persons, is being formed primarily to stimulate interest in the field of social work education and to encourage the further development of the present programmes for the education and training of persons engaged in the public welfare services of the province.

I should note that there is a decided lack of graduate social workers, not only in Ontario, but throughout Canada and elsewhere on this continent. This may be understood to some extent with the knowledge that the development of social services under government auspices is relatively new.

The council is being asked in the first place to "consider ways and means of continuing the recruitment of suitable persons for training and placement in public welfare services throughout Ontario."

Secondly, they are to "consider and recommend measures in the advanced training of personnel for service in the public welfare field in Ontario."

Finally, they will "consider and recommend measures that may encourage and contribute to the further development of the present programmes and facilities for the education and training of social workers with specific reference to the public welfare services in Ontario."

I should just like to remark that we have a devoted and dedicated group of approximately 500 persons serving on the staff of the department. We are maintaining two separate training courses which are continuous in their operation.

One of these deals with the field work services for the public welfare programmes administered by our department. The other is a well-developed training course designed to serve municipal welfare officers in the general field of public welfare administration.

We anticipate that the recommendations of the advisory council will assist us greatly in taking any necessary further steps to assure that an additional source of personnel will be available to the province and its municipalities in this most important field of human services.

I would remind the House that The Department of Public Welfare makes available a total of \$30,000 annually to assist the schools of social work in the university of Toronto and St. Patrick's college in Ottawa, in the training of persons for service in the social work field.

I believe this is the first advisory council of its type to be established by a government department, at least in Canada.

I am pleased that the 6 members selected have agreed to serve. I have already mentioned Professor Hendry, who is the head of Canada's largest school of social work. Father Swithun Bowers directs the activities of the St. Patrick's school, both of which are providing this specialized education and training.

Deputy Minister James S. Band is vitally interested in promoting this whole programme to the fullest extent possible and I can assure the House that he has our full sympathy in this matter.

Massey-Ferguson Limited graciously loaned Mr. Stuart Legge, assistant-secretary of the company. Miss Robena Morris, commissioner of public welfare of the city of Toronto, will lend her valuable experience in the deliberations of the council, along with the well-known Miss Bessie Touzel, executive director of the Ontario welfare council, who has already served so effectively on a number of other committees previously established by our department.

I would like to pay tribute to a group of persons who are engaged in what often seems a thankless task—that of administering assistance in local municipalities. I am most impressed with their patience, their judgment and their desire to serve persons who are experiencing difficulties. I know from personal knowledge of the many out-of-the-ordinary services which are extended by municipal welfare administrators.

Cities like Toronto, with Miss Robena Morris at the helm, have made fine administrative strides in dealing with the complex problems of assisting needy cases.

Mr. George Gardner of the city of Windsor also comes to mind. Mr. Gardner has had to cope with a persistent unemployment problem for the past number of years and he is to be complimented for the skill with which he

manages to meet the needs of those coming to the attention of his administration.

I can also say that there has been no reluctance on the part of other local administrators, including those serving suburban Toronto and elsewhere, to comply with the wishes of their local councils in helping citizens who meet with misfortune. Our good relationship with municipalities has been instrumental, as well, in having many cases referred to our attention where there is eligibility for aid from the province.

Aside from the normal differences of opinion which relate to the programmes themselves, I am certainly pleased to be associated with a department which extends help and advice to persons who need a measure of welfare assistance and service. Despite the fact that the staff is relatively small, their activities span the province and help is given with a minimum of delay wherever it is needed. Much is done beyond our legislative limitations to ease the difficulties of those who depend on the public purse for a livelihood.

I am sure that every hon. member of this House is proud of the dedicated service of the staff of my department. Each and every branch is endowed with excellent administrative heads and their duties are carried out in a manner that ensures the maximum of aid is extended to those who qualify for public assistance.

I would name possibly two different heads—that of the homes for the aged in the person of Mr. Earl Ludlow—I am sure there is nobody more excellent than he in the services he renders for this province; and no doubt every hon. member of this House knows Mr. Borczak who administers many phases of this department.

I would hesitate to name any ladies because, being a married man myself, it is always very embarrassing to name any ladies, so I will not do so.

However, there is one final person I would like to bring to your attention, Mr. Chairman, with whom I am sure every hon. member of this House has been in contact if not daily, certainly weekly and monthly. That is the Deputy Minister of the department, Mr. Band, and I am sorry he is not here.

Finally, I am very much aware of the time devoted by all hon. members of this House and other persons in public life to welfare matters.

I often wonder—and I think I am right when I say this—whether the main reason for a member being elected in a constituency is to take care of the persons he represents in

a very personal way. I can find no better way for an hon. member to do this than by bringing people to us with their problems, which we are able to solve at least in some measure.

I am also appreciative, Mr. Chairman, of your patience and the patience of the hon. members of this House for having listened to me this afternoon, and I can assure them, through you, that we will try, as ever, to solve any problems they bring to our attention.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I will take this first opportunity to commend the hon. Minister for his presentation this afternoon and particularly to commend him for the increase in welfare allotments that he has announced. What I say subsequently should not in any way detract from the approval that we on this side of the House give for that particular forward step.

Mr. Chairman, I would also commend the staff of the department of the hon. Minister, who have been agreeable and helpful as the hon. Minister has said.

Now, Mr. Chairman, I would take this opportunity to make some few remarks in regard to public welfare generally.

It does seem to me that there is a legitimate criticism to be made of welfare in the stereotyped or statistical approach that is made to some of our welfare problems. Let me illustrate.

Today, I had the opportunity to talk to a man from Toronto who said that he was unemployed and had made application for welfare. He said that he was married and he had two children, that he rented premises. In order to augment his income, he sublet part of those premises. His sub-tenant had not paid any rent for something like 5 or 6 months. In addition, in order to supplement the income, his wife took part-time work.

Now, the combination of their several sources of revenue is wholly insufficient to accommodate the needs of this family. Yet he found that he was precluded from welfare benefits because he had sublet part of his premises and had failed to make the collections from his sub-tenant.

It seems to me that this type of bureaucratic approach, if you will, to the problem is wrong. I do not give a hoot about rules and regulations, I do not think anybody in this House disagrees with that observation.

I believe what we need in Ontario is a realistic appraisal of the situation. I think

we need workers to go in and appraise a given situation in a given home, ascertain whether people need compassion by way of food and clothing and ascertain whether their diet is proper. Rather than determine what people should be given in dollars and statistics, an accurate appraisal should be determined, first, in order to know what they need by way of food particularly. Let us give them the food. We have the food in Ontario in surplus, and certainly it is a shame, Mr. Chairman, that anywhere in Ontario today there should be families—and particularly small children—who do not have filled adequately their dietary needs.

If a study is to be made, I would say the study should be this: Forget the dollars and find means of assuring that every child in every family in Ontario has food in adequate supply to provide for a reasonable diet. Not only a reasonable one, but a good diet. I do not think that a situation should prevail whereby a man or a family gets x dollars and the uses part of the x dollars to pay rent, to pay carfare, to pay other needs and subsequently determines that he has a limited amount of money for food, and that amount is insufficient to provide a family with an adequate diet.

Mr. Chairman, my appeal to the hon. Minister this afternoon is this: I think it is time we changed this whole statistical approach. Let us approach the problem with the thought in mind that we will do whatever is required to assure that all people in Ontario are fed—all unemployed and people deserving of welfare. Let us determine that we will not relate that to the dollars that they get, but we will give them vouchers or whatever is required to permit them to go out and acquire the adequate food that they need.

I think we need workers who are in a position to intelligently exercise common-sense, not to measure what a person is going to get in overall dollars, but to measure first what the family with children requires by way of diet.

I think it is a shame that we in Ontario talk about food to the Congo or food to other countries when we have not used the facilities we have here in Ontario to distribute the surplus food supplies that we have in this very province.

Mr. Chairman, judging by the stories one gathers, there are people in Ontario who are hungry. There are families who are not getting the food that is required, not only to keep body and soul together, but to provide good sturdy bodies for children.

I suggest to, and I plead with, the hon. Minister that the stereotyped approach that has been used—the statistical approach, as I would like to call it—be forgotten and that, in regard to food, we simply distribute in bulk the necessary food required to keep these people as they should be kept.

Mr. Chairman, it does seem to me that if this approach is taken, we can measure the level that should be paid to a man. Obviously it is foolish to pay a man the same dollars for accommodation in Toronto as in Kitchener or in some other smaller community. Expenses are higher in different parts of the province and that should be considered.

Likewise, other costs of living may be different. These latter, however, can be accurately and statistically measured.

My plea, Mr. Chairman, this afternoon is the simple plea that we inject a human element into our approach to welfare. Not that the people who are doing the job at the present time are inhuman, but they are curtailed in their desire to do a good job by rules and regulations that, in many respects, are defeating the government's purpose.

Our ultimate purpose is to demonstrate compassion to the needy; our ultimate purpose is to provide food for people at this time. It does seem to me that the criticisms, which one reads in the papers and hears outside, suggest that the current calculations of allotment for welfare are not sufficient to provide good diet for all members of all families who are in need of welfare.

This, Mr. Chairman, is my specific request this afternoon, that we agree to treat human needs as our foremost opportunity and challenge; that we satisfy human needs first before we satisfy any human statistics.

I feel that, if we will change our approach in this respect, we will not only serve a good purpose in Ontario, but we will begin to do what people generally want done at the international level—to use surplus foods for people who do not have sufficient food to develop healthy bodies.

I would think that nothing we can do in this Legislature at the present time would be more commended or more commendable than to make a promise to all people who are denied the opportunity to work and who are required, unfortunately, to appeal for welfare, that in Ontario they will not go hungry and that they will have the necessary dietary assurance which will result in better citizens in the future.

Mr. Chairman, we can talk from now to doomsday, but the simple fact remains that one cannot talk philosophy, one cannot talk

ways of life, to a person with an empty stomach. I think there are people in Ontario tonight who are not fed according to the prescribed dietary requirement. If that be the case, I think we must overcome it.

We will never overcome it with dollars. The only way we will overcome it is with intelligent social workers, of whom we have many, who will go into a home and determine what the specific family needs. Surely a family with 6 children needs more than a family with two children, and the need is not only in terms of food but in terms of medication—not only that prescribed by doctors, but the type of medication, Mr. Chairman, that you have in your home, the type of common-sense assurance and assistance, that you would give to your family as you, in your discretion, deem is necessary.

Our social welfare workers could make this determination. I say that determination should be made irrespective of any dollar evaluation. Whether it costs \$1 or \$200, whatever it might be, it should be granted and then the statistical determination made as to how much is required to pay for accommodation, how much is required to pay for other incidental expenditures that every family has to make. Let us start with human needs and satisfy that.

Mr. Chairman, I make this appeal because—like yourself, I am sure—I have read many interesting articles on this subject and have heard many interesting stories.

One that impressed me a good deal in recent months is the story of an analysis of a single man who was on welfare. He was allotted a certain number of dollars. He used \$7, I believe it was, to provide a heated room, and I do not think one can get a room for less than \$7 a week in the province of Ontario. Then he was required to pay certain sums of money for incidentals, like carfare. When those determinations were made, he had left for himself 36 cents per day for food.

Now, Mr. Chairman, you know and I know that nobody can live on that type of allotment.

It may be that we all bear responsibility in this. I am not critical of the government except to encourage them to do something about it, because all hon. members of the Legislature must bear equal responsibility for this.

I do say, Mr. Chairman, here is one area where we can demonstrate our humanity; here is one area where we can demonstrate our heart; here is one area where nobody needs a slide rule to determine human need.

I feel, Mr. Chairman, that our whole approach to this problem should be radically changed. I believe that we should make a declaration in this Legislature that would have as its objective the assurance that nobody in the province of Ontario does not have the opportunity of 3 square meals a day, and that no youngster should have to go hungry or without shoes; that no youngsters should fail to appear in school because they have no clothing.

These are human needs that cannot be evaluated in dollars. And these are human needs that must be taken care of before we consider increases in allotment or any statistical upgrading in the amount of welfare that we grant.

I am not interested in whether that up-grant is 5 per cent or 25 per cent. What I am interested in, Mr. Chairman, is the assurance that those people who are unfortunate enough to be public wards, or be without income and have to rely on the department's assistance and the assistance of government generally, are provided with the basic necessities of life in adequacy; and by adequacy I do not think we can measure them in terms of dollars.

I think the measurement can be made only by persons with the geniality like yourself, Mr. Chairman, men like the Deputy Minister and others who are experienced, who would be in a position to go into a home and determine in quick equation, and very quickly, what the needs of that particular family were. I would be prepared to hope that we would all rely on their judgment in the determination of the amount of help that should be given.

Mr. Chairman, I am not going to make a detailed appeal. I am not going to make a long appeal. What I do intend, however, is that we do something different about welfare in this respect; and that we use the facilities we have in Ontario; we use the food we have in Ontario; we use the surplus food to provide these people with the assurance of a healthy diet, a diet that will pay dividends to all the people of Ontario.

Mr. Chairman, that is the general appeal I would make at this time. I think it is more important than a detailed analysis of the welfare budget.

I agree wholly, as I said at the outset, with the hon. Minister's suggestion that there should be an increase granted. That is good; but more than that I would like a change, Mr. Chairman, in the approach that we have. And the simple way that I identify this change is that we treat human aid ahead

of human statistics or dollar evaluation. The need is simply, in my estimation, the basic dietary need that every unfortunate person on welfare requires, and then such needs as rent and carfare and the like.

The other observation I would make is this, that I gather that the hon. Minister has appointed an advisory council and, judging by the personnel of that council, an excellent council at that.

I understand that certain children's aid societies have passed resolutions requesting, I believe, a select committee to investigate the administration of children's aid societies in the province. I would ask the hon. Minister whether this appointment of the committee is intended to substitute for that investigation of child welfare in the province.

It may be that it is. It may be that this is what is required. I am not sure; and I would appreciate some elaboration on this statement that this advisory committee will be appointed. I hope that it meets with the request that has been made by the various children's aid societies throughout the province for an investigation of the administration of child welfare in Ontario.

I conclude only by reiterating my fundamental point, which I am sure I have emphasized two or three times even now, that we undertake a dietary study; and that we undertake an assurance to the people of Ontario that we will not limit our welfare to dollar costs, but we will assure the people of Ontario that this government will take a lead in assuring adequate food for all people who are unfortunate enough to be on welfare at this time.

Mr. D. C. MacDonald (York South): Mr. Chairman, I would like at the outset to join with the hon. Minister in expressing our appreciation to the Deputy Minister of Public Welfare and the people in his department who have been carrying on a great deal of good work in the past year. I think he is correct when he says that these people are full of a sense of humanity, that they are trying to express this humanity to people who are in need through the legislation that is there.

I will go one step further. I am convinced, after listening to the hon. Minister this afternoon, that these people with their sense of humanity are ashamed. I cannot go along with the hon. leader of the Opposition in, on the one hand, expressing a great sense of humanity to people who are in need, and on the other hand congratulating the government for a step towards the solution of a

problem which I personally am shocked and ashamed with—this picayune little addition to the general welfare payments in this province.

I come back to the initial point that I was making. I am convinced, from my contacts with the people in The Department of Public Welfare, that deep down in their hearts they are ashamed of this government and I document as to why this is the case.

For example, the day before yesterday I asked the hon. Prime Minister (Mr. Frost) whether or not he would postpone the welfare estimates until next week, so that the social planning council of the metropolitan area would have an opportunity to discuss with the hon. members representing this area their due concern with regard to the inadequacy of the general welfare assistance payments and the consequences of those inadequacies throughout the whole of the welfare agencies.

The hon. Prime Minister said he could assure me that this was not necessary because the hon. Minister was going to make a statement.

I am very glad that the hon. Prime Minister has done it, because I hope that tomorrow the social planning council in Metropolitan Toronto can sit down, when they have had 24 hours to analyze what has happened here, and show just what a sham this government has indulged in.

I am not going to bring in the hon. Minister. I am not going to bring in his department. I have reason to believe that the people who are filled with this sense of humanity, with regard to unemployed in need of assistance, have sought from the Treasury board of the government some adequate and sensible and humane increases in the welfare payments, and have been turned down. The "Scrooges" on the Treasury board have turned them down.

Just as last year, if I may cite another example, when we tried to get something with regard to the shocking conditions of children in one of the wings of the hospital up in Orillia, they were turned down by the "Scrooges" of the Treasury board. But because we beat them over the head mercilessly and because people in the newspapers beat them over the head mercilessly, finally the "Scrooges" on the Treasury board were moved.

But, my heaven, they had to be hit by a locomotive almost to get them moved; and they finally moved the children out of there and they are demolishing these firetraps, and the children have been placed in the Gravenhurst hospital in the interim.

Now we have another example of their refusal to face up to a need. I will go along with the hon. leader of the Opposition in his plea that we should demonstrate our compassion to the needy. But in the face of the kind of thing this government has presented to us this afternoon, we are not going to demonstrate our compassion to the needy by congratulating the government on the step forward they have taken. This is not a step forward; this is an insult to the people, who have been trying to present the nature of the problem to this government, that the government should come up with this kind of thing.

What is the nature of the crisis, Mr. Chairman, and just how serious is it? I will tell you how serious it is.

After this government had stalled along and finally came up with their new regulations back in November, all of the agencies—take the metropolitan area as an example—who are getting some assistance from the community chest, and who for years because of the inadequacy of these regulations have had to supplement public assistance out of the money they had got from the community chest—were faced with a crisis. Heaven knows the community chest has got to a point where surely something should be done to re-examine the work it is trying to do.

I say this because every fall it is a desperate rat race, if I may use the term. It is an insult to a society, that calls itself Christian, that we should meet the needs of these people by this kind of rat race with all the trumpeting, the publicity and everything, to extract a little bit of money, the little bit that we do, the \$7 million or \$8 million, or whatever the total is in the metropolitan area.

Yet a great deal of this money that is extracted with such difficulty has to be used by many of the agencies to supplement these hopelessly inadequate general welfare payments.

And as a result of that, Mr. Chairman, because they were faced with a problem that was absolutely insoluble, the people in the community chest organization said to all the welfare agencies, "Henceforth we are not going to O.K. the payment of a single cent out of budgets drawn from the community chest to supplement these inadequate payments."

Now these people surely, because of the work they are doing, have as deep a sense of humanity as anybody. This was a shock treatment. This was an effort to try to shock these "Scrooges" on the Treasury board into facing the reality of the situation.

Therefore, all the various welfare agencies have been presenting their pleas to the government. It has come to the point now that columnist Pierre Berton has published the second of a column of 3 in today's paper entitled "The Shame of Public Charity." And he is documenting it; so how could anybody question for one moment that it is not the shame of public charity?

In the face of all that, Mr. Chairman, the hon. Minister comes in—and I repeat, I am not blaming him, I am blaming the government—the hon. Minister comes in with a statement of government policy and what does he say? He says, in effect, there will be primarily an increase in allowances for clothing and milk, which comprise part of the pre-added budget in the regulation and shelter allowances.

Now let us just take a look at this. What has the allowance for clothing been up until now? Well, the allowance, Mr. Chairman—for those of us who are drawing in addition to our normal income \$7,000 as an indemnity in this House—the allowance for these people is \$1 per month. And this government comes in and announces they are increasing this allowance by 10 per cent to 15 per cent.

Is there anybody who is not ashamed of it? Just think—somebody was asked to clothe himself, a single person, or to clothe a family, on \$1 per person before, and now we have increased it in our munificence—with this sense of compassion to reveal our feelings towards the needy—we have increased it by 10 per cent to 15 per cent.

Mr. Chairman, it speaks for itself. It does not need any more underlining.

As to the milk! Well, the milk is part of the pre-added budget and I do not know how one sorts it out—10 per cent to 15 per cent—what this means in a week. Another quart of milk a week? The hon. Minister nods his head. He says: "Yes, that is as good a guess as any, it may mean another quart of milk a week."

Hon. Mr. Cecile: About 25, it is an increase of about 25. That is all calculated by Professor Hendry of the university of Toronto.

Mr. MacDonald: Well, I do not think Professor Hendry calculated the 10 per cent or 15 per cent. Please do not bring the names of people like Professor Hendry into the calculation—

Hon. Mr. Cecile: The hon. member was speaking about milk.

Mr. MacDonald: All right. Now let us get to the shelter allowance.

Mr. V. M. Singer (York Centre): What does it mean in money? Twenty-five cents?

Hon. Mr. Cecile: Go ahead, I like to hear these impassioned speeches.

Mr. MacDonald: Well, there have been a lot of impassioned speeches in the last two or three months to try to move hon. Ministers of the government and it is obvious they cannot be moved by impassioned speeches.

Hon. Mr. Cecile: We like to be practical, though.

Mr. MacDonald: The hon. Minister likes to be practical! Is this practical? In the province of Ontario, is this practical? The hon. Minister ought to be ashamed of himself if he is going to identify himself with this policy. I was letting him out, because I thought he was filled with some of the sense of compassion, but now he wants to defend it. Do not try to defend the indefensible; we are on the hon. Minister's side.

Hon. Mr. Cecile: Every time the hon. member is on my side, I worry.

Mr. MacDonald: Well, the hon. Minister had better worry. What is the shelter allowance? The shelter allowance—now just picture living in the city of Toronto. All hon. members who, when they come to Toronto, have to live in the Royal York hotel, may find this a little bit difficult. But the shelter allowance for a furnished, heated room is \$18.50 a month. This is the maximum. And they are going to increase this by 10 per cent to 15 per cent, which means that now they are going to have approximately \$21 to go and find a room in the city of Toronto.

I invite any hon. gentleman in this House, if he thinks that this situation is being improved, to hit the trail in Metropolitan Toronto this evening and try to find a heated room for \$21 a month.

An hon. member: It cannot be done.

Mr. MacDonald: Of course, it cannot be done. Then when one gets up to the maximum of a 6-room house, it was \$34 and with an increase of 10 per cent to 15 per cent, roughly one-sixth; one is going to go out and try to find a 6-room house, for \$40.

Mr. Chairman, where is anyone going to find a 6-room house for \$40 in Metropolitan Toronto?

Mr. C. H. Lyons (Sault Ste. Marie): How much would the hon. member give them?

Mr. MacDonald: Never mind. The hon. member is sitting on the benches over there. I can assure him in answer to his question—a partial answer—that I would not be associated with the kind of thing that hon. members opposite have offered this afternoon.

Mr. Lyons: How much would the hon. member give them?

Mr. MacDonald: I do not know. I have not looked fully into the situation but I would not insult a fellow human being who is faced with the problem that he is faced with if he is unemployed in the province of Ontario. I wonder how many more hon. members would like to get up and defend what the government has done? I am rather interested in this. I would think at least hon. members would lapse into silence.

Let me take another example, Mr. Chairman. That is the question of household sundries. Strangely enough there is not a 10 per cent to 15 per cent increase—they do not even get the increase on that. The arrangement up until now has been that they get \$1, \$2 or \$3, depending on the size of the family. And this is what it means, as is pointed out by Pierre Berton in one of his columns today, and just let me read this one paragraph; I think it puts it pretty well. This is for household sundries:

The present allowances grant is \$1 per person per month for clothing and another \$1 for household sundries. How can you buy soap, cleansing powder, matches, toilet paper, electric light bulbs, etc., with only \$1 a month? A medium-sized box of detergent costs at least 70 cents.

Pierre Berton adds the rather pointed question:

Will the 10 per cent raise solve this?

Obviously it would not solve it, but they did not even get the 10 per cent.

Hon. Mr. Cecile: That was outdated, it is in yesterday's newspapers.

Mr. MacDonald: It is not yesterday's newspaper. I tell the hon. Minister, it is vivid in terms of its currency because it just points out the problem that he has not solved. It is not outdated.

Mr. Chairman, I am just going to give one more illustration because I think—and on this I do agree with the hon. leader of the Opposi-

tion—I think the situation speaks for itself and we will then leave it rest there.

This is a problem involving the single person whose maximum allowance, if he is living on general welfare, adds up to something like \$48.50 a month. The Elizabeth Fry society—which is trying to assist in many instances single persons who have been released and who are trying to fit back into a civilian life after a period in one of our reform institutions—has tried to work out a budget.

Pierre Berton has repeated it in his column. I think it would be interesting for us to dwell on this for a moment:

Recently the Elizabeth Fry society studied the allowance for a single person under the revised general welfare assistance published last November. For a furnished heated room the allowance is \$18.50 a month, for cooking fuel \$2.25 a month and for food, clothing and sundries the allowance is \$27.75 a month. This totals \$48.50. But where can anybody get a room for \$18.50?

The society figured out the real budget this way: Room rent must come to a minimum of \$7 a week.

Now, if I may interject here, Mr. Chairman, \$7 a week is \$28 or \$30 a month, and this government has increased the shelter by 10 per cent to 15 per cent.

Mr. Singer: He did not say anything about shelter increase.

Mr. MacDonald: Yes, shelter allowances are to be increased and the overall increase is 10 per cent to 15 per cent.

Hon. Mr. Cecile: I did not say that, I said not less than 15 per cent; that is what I said.

Mr. MacDonald: Is it less than 15?

Hon. Mr. Cecile: Not less, I said. It could vary. It might vary up to anywhere. That applies over the whole picture, the 15 per cent. It does not apply to individual items. The hon. member asks me if it might vary; it might vary up to any percentage he might think of.

Mr. MacDonald: Does the hon. Minister mean in the different municipalities? In various municipalities it may vary depending on the circumstances in the municipality?

Hon. Mr. Cecile: Yes, and the circumstances of the person, to some extent.

Mr. MacDonald: Circumstances of the person? What does the hon. Minister mean by that? They have no money, they are out of work.

Hon. Mr. Cecile: The cases are not all alike.

Mr. MacDonald: The hon. Minister has successfully blunted the point I am trying to make. Let us take Metropolitan Toronto. They used to get \$18.50. What are they going to get in Metropolitan Toronto now?

Hon. Mr. Cecile: Around \$25.

Mr. MacDonald: Up to \$25. Well, here is the Elizabeth Fry budget that points out that—they have had a lot of experience because they are working with people who are seeking rooms all the time—that the minimum needed is \$7 a week, or something in the range of a little over \$30 a month.

Hon. Mr. Cecile: Again I repeat, Mr. Chairman, and I wish the hon. member would take that into consideration, the towns, the municipalities and the cities are not restricted by that. This is the amount of which we pay 80 per cent, or furnish that. They are certainly in a position to give more, and much more than that, if they wish.

Mr. T. D. Thomas (Oshawa): Provided they have enough money to do it.

Hon. Mr. Cecile: They have the money to do that. There is a conditional grant for that. I wish the hon. member had listened to my speech more closely.

Mr. MacDonald: The only thing I am sorry about is that the galleries in this House are not big enough to hold the 6 million people of the whole of the province to listen to these hon. members get up and defend this kind of thing. I just wish that all 6 million of them were here. I know what will happen to hon. members opposite in the next election.

I quote again from the Pierre Berton column:

Room rent must come, says Elizabeth Fry, to a minimum of \$7 a week; and all this buys is a tiny cubicle with a single burner usually shared with others. There is no refrigeration. Other real monthly expenses are carfare at 30 cents a week, \$1.20.

Imagine travelling around Metropolitan Toronto, presumably looking for a job or something like that, and you spend \$1.20 a

month if you are out once a week. In fact, it would be 30 cents a day if you are out every day.

Hon. G. C. Wardrope (Minister of Reform Institutions): What do they get in Saskatchewan?

Mr. MacDonald: Never mind what they get in Saskatchewan; just face the facts here.

Hon. Mr. Wardrope: The hon. member knows what they get in Saskatchewan.

Mr. MacDonald: Just face the facts here. I continue:

Stockings and underwear, \$1; repairs, thread and shoe repairs, \$1; laundry and cleaning, 80 cents; essential toilet articles, \$1; miscellaneous, such as "key" money, \$2. This leaves a balance of \$11.12 a month for food, or 36 cents a day.

This is the kind of analysis that the government has been provided with in scads of instances in the last few weeks; and in the face of that, this is what they have given us.

Mr. Chairman, I will let the matter rest there. I do not propose to deal with any other items. We can deal with that in the individual estimates. This in itself speaks more eloquently of the humanity of the government.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, might I interrupt these proceedings to bring to the attention of the House some very sad news?

I regret to advise that I have just received word of the death, a short time ago this afternoon, of William James Dunlop, the hon. member for Eglinton. I know that all would like to join in and pay a tribute to this very fine gentleman who was born in Durham, Ontario, on June 24, 1881. He would have been 80 years of age next June.

This great old veteran of the educational field to which he devoted his whole life, this great warrior, this very good friend of people—big and little, in the province of Ontario—has been associated with the little red school-house and higher learning since the very beginning of his adult days.

Dr. Dunlop was the founder and first president of the Canadian association for adult education, and was sworn in as Minister of Education of Ontario on October 2, 1951. In that high and important office he served the people of his native province with honour and distinction.

Dr. Dunlop had one of the outstanding careers in the educational field in Canada. His first teaching contact in the schools in rural Ontario was in the township of Hullett. Subsequently, he was principal of the public and continuation school in Tavistock, King Edward school in Peterborough, and at Queen Alexandra model school in the same city.

He advanced in his chosen profession through teaching assignments with the university of Toronto schools, the faculty of education of the university of Toronto, and then was selected to occupy one of the chief positions at the university of Toronto as director of university extension and publicity from 1920 until 1951, when he was appointed Minister of Education, and later elected on November 22, 1951, to the Ontario Legislature as the member for Eglinton riding.

During the intervening period of 8 years he initiated substantial changes in courses of study and teaching methods, as well as enormous changes in the system of school grants.

In November 1959, he suffered a slight attack of facial paralysis from which later he completely recovered. Subsequently, upon consultation with his medical advisors, he felt it desirable to relieve himself of the heavy burden of responsibility which he had borne so acceptably, and submitted his resignation as Minister of Education, effective December 16, 1959.

Hon. Dr. Dunlop at that time agreed, however, to make his great wealth of experience available to his hon. successor (Mr. Roberts) and remained for a period as a Minister without Portfolio, from which position he subsequently retired to serve on the university co-ordinating committee where his great talents and capacity were utilized to the greatest extent.

This committee will, I am sure, have a far-reaching effect on university expansion and the development of higher learning in Ontario. Dr. Dunlop became vice-chairman of this committee, a position which he occupied until today, the date of his death.

For the many benefits he has conferred on them during his administration of one of the heaviest portfolios in the government of the province, the people of Ontario owe hon. Dr. Dunlop a great debt of gratitude which can never be discharged.

Our deepest sympathy is extended to Mrs. Dunlop in her sad loss.

Mr. Chairman, we all view and regard, with the deepest regret, the passing of this

fine Canadian and this outstanding educationist. I know that some other hon. members in this House would like to have an opportunity to refer to the loss this Legislature, and the province of Ontario, has sustained. I would propose, sir, that we adjourn this sitting after they speak, until 8 o'clock tonight.

Mr. Wintermeyer: Mr. Chairman, of course every hon. member in this House will join with the hon. Prime Minister in the expression of sadness, and I think it is exactly that, on the untimely death of a friend of all of us. Mr. Chairman, there is little more that can be said. We join with the hon. Prime Minister and extend our condolences to his widow.

Dr. Dunlop sat as a friend of all of us for a long period of time. He served in a very difficult time during the development of The Department of Education, a time that has challenged educationists not only in this province but throughout all of North America. He did an excellent job, and I think that we are indebted to him for the public service that he has made.

I think likewise that at this time hon. members would want me to express, I hope and I am sure on behalf of all, our sense of loss at his passing. He was an administrator of the Crown but he was likewise a friend of all, and I think in that expression we can join in the expression of sympathy to his widow.

Mr. Chairman, there is little more that I can add. I hope I reflect in part the thought of all hon. members of this House, and I agree wholeheartedly with the hon. Prime Minister in his suggestion that this House should adjourn to reconvene again at 8 o'clock.

Mr. MacDonald: Mr. Speaker, I would like to add my words to those of the hon. Prime Minister and the hon. leader of the Opposition in this sad news that has come to us here in the midst of political battles.

One of the things about Dr. Dunlop that was so evident was that, when he was in the midst of political battles he always remained the kindly man that he was, and it is difficult to realize that a person who was active with us such a short time ago should now have left us.

I would like to join with the hon. Prime Minister and the hon. leader of the Opposition in paying tribute to his long life, which was a full one right up until his eightieth year, and in extending our condolences to his widow.

Mr. L. Troy (Nipissing): Mr. Chairman, may I, before this motion is presented, as an old friend of Dr. Dunlop, as a retired member of the teaching profession and as one who sat with him on the Canadian Legion committee on citizenship, pay my respects to Dr. Dunlop?

It came as a very great surprise to me, as I had just gone down to the post office and had sent a letter to his wife.

I know I speak on behalf of the teachers all over this province, and all the young people, of those of the early days when Dr. Dunlop was quite interested in adult education at the university, in expressing sympathy to his widow and other members of the family.

At 5.30 of the clock, p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, February 2, 1961
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 2, 1961

8 O'CLOCK P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF PUBLIC WELFARE (Continued)

On vote 1801.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I listened with a great deal of interest to the remarks of the hon. Minister of Public Welfare (Mr. Cecile) and I also enjoyed listening to the retort of my hon. leader (Mr. Wintermeyer) and to his emphasis on not wanting narrow regulations that check answering the real need of those on relief.

I listened to the hon. leader of the CCF party (Mr. MacDonald). He started by criticizing the regulations and then he criticized my hon. leader because he was criticizing the regulations. I find it very difficult at times to understand the logic of the hon. leader of the CCF party. In many ways he reminds me of Alice in Wonderland, and the tea party, and the Mad Hatter, with his logic.

Mr. T. D. Thomas (Oshawa): What does the hon. member think John reminded us of?

Mr. Thompson: I think if the hon. member had listened to him he would have realized what he was saying. It has been the practice of hon. members to my left to speak with great eloquence without having listened to what was said before, and in this case the hon. leader of the CCF party gave a fine example of not sticking to the point.

Now, sir, I would like to congratulate the hon. Minister of Public Welfare for having gone the little way he has. I will say that I have a very great respect for him and for his Deputy Minister, Mr. Band.

I think that the hon. Minister of Public Welfare is a cultured gentleman; but sometimes when I look at his policy and, knowing him as the gentleman that he is, I cannot help but be reminded of the book on Dr. Jekyll and Mr. Hyde—because the policies, to me, are so remote from the humanity that

beams in his face. There must really be some schizophrenic aspect in connection with the hon. Minister, and his policy.

I would like particularly to look at the hon. Minister's remarks on a 15 per cent increase to general welfare assistance. In some ways this might seem to be a generous contribution on the part of the government but, as one looks at it more carefully—and I am reading from the hon. Minister's speech—he states:

I am pleased to announce that studies have now been completed which will mean an upward adjustment in the amounts of shareable allowances for certain items. These will be primarily an increase in allowances for clothing and milk which comprise part of the pre-added budget in the regulations, and in shelter allowances. The overall increase resulting from these adjustments is estimated to be in the neighbourhood of 15 per cent.

I remember, I asked the hon. Minister the question a year ago about the shelter allowances, and at that time he answered that there would be a substantial change in the \$50 maximum. I looked forward to seeing this change. I must apologize that in the last session, I was inaccurate in my remarks when I said that this had not been changed; I went back to look at the hon. Minister's amendment and then I understood why I did not know it—because the substantial increase which he had made was from \$50 maximum to \$52 maximum.

With respect to these changes which the hon. Minister is making, I frankly was not as surprised as some other people, because I had become resilient to such news that might come from him, and I knew the changes would be small and sparse.

This is a most serious question. We have over 150,000 unemployed across Ontario and we have many people who are seeking welfare. Let us look at what this government is providing for people on welfare—and I read from the amendments:

"A family with 7 or more dependants is allowed for coke, coal or wood, the sum of \$1.15 a week." This allowance, I might say, is not going to be changed. At least it is not indicated that it is going to be changed

in this new generous move of an extra 15 per cent on the total.

In view of the situation we have across Ontario, surely we should have some type of humane plan for those on welfare.

When I came to this House, I read the 1957 report of The Department of Public Welfare and it stated this:

A basic pattern of welfare services has been gradually forged in Ontario, and this should lead to the removal of about every type of distress requiring financial support.

What actually has been the situation with respect to welfare grants? Just take, for example, the head of a family with 6 or more dependants. Between 1947 and 1958, the welfare grants went up 2.9 per cent, and yet the cost of living at that time went up over 50.8 per cent.

If I might suggest to the hon. Minister what I think would be a realistic pattern, a realistic standard in a government welfare programme, I would like to read the following objectives:

The first objective is to assist any person who, because of material or social disability, is in need of economic or social aid to establish himself as an independent self-supporting citizen who can contribute his full share to the economic, social and political life of the community.

That should be the objective of any welfare programme.

The second objective would be to work towards the prevention of circumstances that will create incapacity and dependency, or will prevent a person from contributing to the economic, social and political well-being of his community.

I notice that the hon. Minister has optimism about the unemployment situation. I wonder how realistic his optimism is. Is it based on research and is it based on a dynamic, aggressive approach? Is it shared by his hon. fellow colleagues on his side of the House? As yet I have seen no real, hard aggressive action taken with respect to the unemployment question by this government.

The third objective comes when establishment and prevention have failed to provide for the care and maintenance of those who, for whatever cause, are unable to care for and maintain themselves.

The hon. Minister must establish for the prevention and the maintenance and the care of such people—and he has set this up across the province.

In connection with these objectives, it was stated that a welfare programme with respect to general assistance should be based on the rising cost of living. It is quite obvious that this government does not follow these objectives.

Hon. members may ask: "Who is stating such objectives for a welfare programme?" I would suggest to the hon. Minister that it is someone whom he appreciates and admires and respects in her work, and in her understanding of social welfare. It is none other than, to put it in the hon. Minister's terms, "the capable and well-known Miss Bessie Touzel." I would suggest, sir, that the hon. Minister keep in close contact with her and use her advice and become fired with her ideas and ideals about a welfare programme.

I would like to go into some other aspects as well as the pittance that the hon. Minister has offered to increase this general assistance. In his programme this year, the hon. Minister has mentioned nothing about Indian research.

Last year I asked the hon. Minister if he was carrying out a study similar to that done by the Manitoba government concerning Indians who have left the reserves. He stated to me last year that he was doing that kind of research and had a committee set up.

Just to find out what research the hon. Minister is doing, just so the House will find out how extensive his research is, I will ask these questions which he may be able to answer for me.

How many Indians are off the reserve and, approximately, are in Toronto?

What kind of jobs are they taking?

What kind of problems are they facing and what is the hon. Minister doing to overcome such problems as discrimination and so on?

This is the type of study that was done by Manitoba, and if the hon. Minister says he is also carrying out a similar study, I know he will not have any difficulty in providing those answers for me.

The next thing that I was interested in was the study by Miss Bessie Touzel of children's institutions. I asked the hon. Minister, last year, about the children's institutions across the province: What kind of staff they had, how many children to each staff member, what kind of qualifications the staff members had.

I notice the hon. Minister has mentioned again in his speech today that there is a feeling, in fact a necessity, that children's institutions should be mostly for disturbed

children, and this requires people with particular training to handle these children.

I had the privilege—and I am sure the hon. Minister has had this—of attending some children's institutions dealing mostly with disturbed children. I was at the Village institution near Ottawa on several occasions, and I realize the tremendous problem that the staff face, and the great skill and patience that they have with these young children who have come from scarred backgrounds; in some cases the children have, even at an early age, tried to commit suicide.

Every one of these children is indirectly the responsibility of this government because the children cannot speak out for themselves, because they cannot vote. This is immaterial to the concern that the hon. Minister has for these children.

I know that, as he is the hon. Minister of a welfare department, he recognizes that the hallmark of a civilized government is in its particular concern over its unfortunate children. I know, therefore, that the hon. Minister will be able to tell us the number of trained staff, what the training is.

How many of these children are under the care of each staff member?

I know the hon. Minister will not dodge this by saying these children are not directly under his responsibility. He will not say he gives grants to help these institutions but is not concerned with the children's welfare. If there is public money given to look after children, surely the hon. Minister has an interest to see how that public money is spent and that it is spent effectively.

I have several other questions from last year. I remember that I asked the hon. Minister about the qualifications for the blind. As I understand, there is a resident requirement of 10 years. The hon. Minister told me last year, during the estimates, that he was progressing, that he hoped that this qualification might be changed. I would hope that he could tell us that it has been changed today.

Another question which, to me, seems to cause considerable confusion is that the hon. Minister has talked about the kindness and sincere interest he has with respect to immigrants in Ontario. He says that he has made an arrangement with the federal government for the welfare of immigrants, and that now everything is cleared up, for there is no difference with immigrants in welfare; they are treated the same as everyone else.

There was one point that he was concerned about. Under the federal Immigration Act, any immigrant who applies for welfare is

liable to deportation. I would hope that the hon. Minister has been working actively to get that changed; and I would like to hear what results he has had with respect to it. I understand the fear of deportation still hangs over any immigrant who applies for welfare.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Has anyone ever been deported for that?

Mr. Thompson: Yes, they have; but I think that has nothing to do with it. If you have a law and there is no need for it, surely the law is an ass.

Interjections by hon. members.

Mr. Thompson: I hope the hon. Provincial Secretary will not ask us to compare the immigration policy of the Liberal government and the emigration policy of the Progressive-Conservative government.

Interjections by hon. members.

Hon. Mr. Yaremko: Mr. Chairman, the hon. member asked me a question. I am willing to debate how the Liberals treated the immigrants as compared to how the Conservatives treated the immigrants.

Mr. Thompson: I will accept that debate at any time; and might I add that the hon. Provincial Secretary would have a hard time finding some immigrants who have come since the Conservatives have been in power to listen to us, because there have not been many of them.

Hon. Mr. Yaremko: Over 100,000 came in 1960.

Mr. Thompson: In comparison with the Liberals, it is nothing.

Interjections by hon. members.

Mr. Thompson: Mr. Chairman, if I could continue now, I would like to ask another question, and this is about the county co-ordinated administrative setup—that is with respect to municipalities amalgamating under a county system for welfare.

The hon. Minister has told me, sir, that he agreed with this in principle, even though I have a suspicion that sometimes other hon. members of his government hide under the skirts of the municipalities' autonomy to avoid their own responsibility. But in this case, sir, he has been straightforward and honest, and has come out and said that he

thinks county administration is an effective way of carrying out welfare.

I would be interested in knowing how many more county units have formed in the last year. He had explained in the last estimates—with fervour in his voice—that he was going to pursue this. When the hon. Minister of Public Welfare says with such enthusiasm that he is going to pursue something, I would think that across this province at least there will be about a 50 per cent increase in county amalgamated administration. I look forward to hearing the high number that he has achieved.

An hon. member: The hon. member for Dovercourt will not hear it.

Mr. Thompson: My next point, sir, is that I have read the reports of children's institutions in Metropolitan Toronto, and I would ask the hon. Minister if he has seen this report on children's institutions, of Metropolitan Toronto—the study of the agencies?

Mr. R. C. Edwards (Wentworth): He saw it, but he did not read it.

Mr. Thompson: Could I ask the hon. Minister if he has seen that report? I was not asking Mr. Band, I was asking the hon. Minister. Well, I do not get an answer on this, but I would say that if the hon. Minister would see it—

Hon. L. P. Cecile (Minister of Public Welfare): I have seen it, yes.

Mr. Thompson: Well, what did the hon. Minister feel about this? Surely he had a concern about the findings of the report, the lack of qualified people looking after children in institutions, the obvious need to remove some of these children who are spending a period—and oftentimes a long period—in institutions when they do not need to be there. It would indicate either a lack of referral into institutions or a lack of foster homes.

This was a study which was made voluntarily and I praise the agencies for having come together and permitted this study.

Surely the hon. Minister is greatly concerned with what is happening to other children throughout this province who are in institutions. What is happening to other young babies and young children who are being placed in institutions? As this report suggests, are they being marred for life psychologically by the effects of barren institutions?

I look forward, sir, to seeing the aggressive and bold plan that the hon. Minister is going to introduce here concerning such institutions, to obliterate the blight that they have on young children. I know for almost 3 years the hon. Minister has had a study on this question, so I hope by this time he is ready to tell us about some action.

The last point is, as I mentioned last year, that the children's aid societies present a most confused picture concerning what is government's responsibility and what is, on a private basis, the responsibility of the children's aid societies.

There has been this resolution from the children's aid societies. The hon. Minister answered the hon. leader of my party by saying that the group to study child welfare institutions throughout the province would cover the request of the children's aid society. I would hope that, in this group which does this study, the hon. Minister would include on a permanent basis, to give advice, such people as the personnel of the Ontario welfare council and representatives from the children's aid society.

I would feel still better if we had some kind of permanent secretariat, when we met in the health and welfare committee, which could prepare material for the understanding of the hon. members about the problems and about suggested solutions. When we meet in committee—and I say this most particularly about myself—there is almost a pooling of ignorance amongst us because we need to get more expert advice in connection with the problems.

We have experts, particularly from the Ontario welfare council, who are keen to help us, to inform hon. members. I would hope that they would be included in this select committee or commission that the hon. Minister is setting up.

Mr. V. M. Singer (York Centre): Mr. Chairman, I want to make a few remarks about the announcement this afternoon by the hon. Minister concerning the increase in the percentage grants under The General Welfare Assistance Act.

My colleague, the hon. member for Dovercourt, asked the hon. Minister if he had seen a particular report, and I wonder if the hon. Minister has seen a 5-page report, that I have here, prepared by the social planning council of the municipality of Metropolitan Toronto, and if he considered it when he came in with his very picayune increase of about 15 per cent, which he announced with such glee this afternoon.

This is a very carefully researched and a very carefully prepared brief that the social planning council of the municipality of Metropolitan Toronto prepared. It has the support of a great number of people who have been in touch with me and, I am sure, have been in touch with at least all of the hon. members from Metropolitan Toronto in the last week or 10 days. These include such people as the association of women electors of Toronto; such people as the Elizabeth Fry society; such people as the neighbourhood workers; such people as the North York and Weston family service centre; and on and on.

I am sure that several, perhaps all 19 of the hon. members here from Metropolitan Toronto, have heard about this, and only two of us—I am sorry, 5 of us—are on this side of the House and the other 14 are on that side of the House.

It is rather strange to me that the other 14, who include many hon. Ministers of the Cabinet and perhaps one or two hon. members of the Treasury benches, have not seen fit to join in this debate and urge upon the hon. Minister or upon the Treasury board that the increase be much more than 15 per cent that he so gleefully offered and set forth as the great panacea to all the problems.

An hon. member: The quality is over here though.

Mr. Singer: Well, Mr. Chairman, when you look at these figures, it is rather shocking really. Here we have, in the general welfare assistance branch, in the estimates of the hon. Minister for this year, \$7,973,500. Now, that is quite a big figure, quite a big figure. Then we look at last year's figure and see what actually happened.

Last year there was \$6.7 million voted, only \$5.7 million spent. So that last year, because of the confusion of the regulations or the unreality in which the hon. Minister and his department approach this thing—or the unreality in which the Treasury board refused to release funds—the money was not spent. Even the money that was voted was not spent.

I will join with the other hon. members, my colleagues on this side, in complimenting the staff and particularly the Deputy Minister. I have had occasion to deal with him, well, once a week, or perhaps two or three times a month, and the co-operation I have from the department of the hon. Minister is most noteworthy. They lean over backwards to be helpful.

But they are bound within the rules and the regulations that are set down, perhaps by the hon. Minister, certainly by the Treasury board, certainly by this government, that just have not the sympathy at heart of the people who need this sort of relief. They refuse to make the help, that should be forthcoming from this province, realistic and sufficient to allow people who are in need to properly look after themselves without reducing themselves to absolute penury.

The social planning council, in its competent brief, I submit, sets out some of these things. Since, there have been amendments covering increases in some budgeted items, and charges in the shareable maximums effective June 1, 1957, these are as follows:

For the head of the family plus one dependant, \$120 a month. Then they run a little further study. In 1947, Mr. Chairman, the maximum grant—and there are very few of the people who are able to get the maximum—for the head of a family with one dependant was \$135. Today it is \$120. The consumer price index in 1947 was 85.5, the consumer price index in 1958 is 120.9. The increase in the consumer price index was 50.8 per cent, but the decrease, the decrease in the grant—and this is significant, Mr. Chairman—was 11.1 per cent.

Well then, these figures go on:

The head of the family plus two dependants, \$136 a month; they increase that from 1957 to 1958 by \$1, an increase of .7 per cent, while the consumer price index, as I say, increased 50 per cent.

The head of a family with 3 dependants went from \$135 to \$150; an increase of 11 per cent, but the consumer price index was still 50.8 per cent.

And it goes on to 4 and 5 dependants, and then we come to a stop because apparently the province of Ontario considers that any head of a family with 6 or more dependants should not be given any consideration because if he has a bigger family the province is not going to look after him. So with the head of a family with 6 dependants it comes to \$180 and there is no figure that carries it any higher than that.

Mr. Chairman, if there is anything callous in the approach of a responsible government, it is when they cut off at the top limit—and I do not know who dreamed this one up—the head of a family with 6 dependants, and they fix the maximum at \$180 and that is as far as they can go. One could have 7 dependants or 8 dependants but it does not really matter because the person cannot get any more than \$180, if he does get the \$180.

Mr. Chairman, this topic has been dealt with at substantial length by various hon. members on this side of the House, but let me raise just a couple of examples which the social welfare council has put forward—and I think these speak for themselves.

One example of what happens without the 15 per cent, and hon. members may add the 15 per cent if they think it makes any great difference, concerns two parents with two children aged 1 and 3. The accommodation is a 3-room apartment at a rental of \$80 per month including water and heat. They have no other income except the family allowance.

This is the sort of person who needs assistance, who desperately needs assistance. And I do not know how much greater the percentage is this year than last, but certainly hon. members opposite should recognize—and I think they do—that with the unemployment, the number of people in need of this type of assistance has increased materially over the last 12 months. But where we have two parents and two children, aged 1 and 3, and an accommodation of a 3-room apartment at a rental of \$80 per month and there is no other income, this is what happens.

Clothing and food and household sundries \$72.40; shelter \$25; heat \$15; utilities \$2.50; extra for shelter due to special circumstances. Their maximum is \$119.90. The total shareable maximum is \$150, the total computed budget is \$119.90, so that they cannot get within \$30 of the maximum allowable under the regulations.

Before the 15 per cent increase they could get \$119.90; if hon. members want to add 15 per cent to that they can perhaps bring it up to \$134.

And this is the thing that should sink into this government: Their actual rent is \$80, and I defy anybody in this House to find an apartment in this metropolitan area that will accommodate two parents and two children under \$80. Their actual rent is \$80 and their shelter allowance, including heat, is \$45, so that they start off with a deficit of \$35 just on the accommodation.

Now the picayune 15 per cent that the hon. Minister is giving them is going to increase the shelter allowance, including heat, perhaps to \$60, so that they start off with a \$20 deficit.

Surely, Mr. Chairman, this great and wealthy province of Ontario can do better than this for people who are in actual need.

Another example: Two parents, 5 children, accommodation a semi-detached, 5-room unheated house for which they have to pay

\$85. And if they can get that sort of accommodation at \$85 in Metropolitan Toronto today they are very lucky. They have no other income except family allowance.

The budget for food is \$131.95; for shelter \$31; heat \$18.75; utilities \$2.75; a total of \$184.45. But the total maximum, as I mentioned just a moment ago, because the province does not recognize that the head of a family may have more than 5 dependants—here he has his wife and 5 children, so he has 6 dependants—the maximum he can get is up to only \$180 and hon. members now can add on the 15 per cent.

His total computed budget is \$184, so he starts off with a minus of \$4.45. His actual rent is \$85, his shelter allowance is \$31; so that before he even gets going at all he is in the hole \$54 and that has to come out of food, and so on.

Well, Mr. Chairman, I do not want to extend this debate at any great length. But I think these figures are most important and should be driven home to the government at every possible opportunity.

The 15 per cent increase which was suggested by the hon. Minister this afternoon goes absolutely nowhere along the line of protecting and looking after the people who are in actual need.

The recommendations which the social planning council has put forward, and I think we should all subscribe to them, are these:

That there be an immediate increase—and I would add the word “realistic”—an immediate, realistic increase in amounts provided for shelter and clothing; that there be an immediate revision upwards of the \$180 ceiling and the maximum shareable amount for families of 7 or more persons.

In other words, I believe the government must recognize, at this time, that some families consist of more than 7 persons, and that there is no great crime in having a family of more than 7 persons. They should recognize that if there are more than 7 persons in one family, then the government should adjust their regulations to look after that size of family.

And finally, I say this, and this is along the line of what my hon. leader was saying this afternoon: In the near future we would like to see the provincial Department of Public Welfare develop a standard budget for families, couples and individuals living in rural and different-sized urban communities based on studies of actual living costs in each type of community and use this as the

yardstick for establishing allowances in any public assistance programme.

It must be recognized, Mr. Chairman, that this is a big province and there are various neighbourhoods and all sorts of different circumstances. What might be good in the riding of my hon. friend on my left (Mr. Whicher), the riding of Bruce, might not be adequate at all, might not even come close to looking after the real needs that exist in the municipality of Metropolitan Toronto.

This is the sort of thinking we feel this government should follow, and must do it immediately. There is no glory to be attached to the government in saying that we are going to bring our allowance up 15 per cent. Something must be done, and this government has to do it.

Hon. G. C. Wardrope (Minister of Reform Institutions): We want to speak here once in a while.

Mr. Chairman, I have listened for quite a few hours, to first of all a very heartrending plea on behalf of the hon. leader of the Opposition and then an acrimonious tirade from the hon. leader of the CCF party, and I just want to say a few words on this subject.

I have seen in my lifetime under a Liberal regime the toughest time this country has ever known and I want to tell the hon. members something about that.

An hon. member: He does not like that, eh?

Mr. Singer: He liked R. B. Bennett.

An hon. member: Oh, that is difficult; that is difficult.

Mr. H. C. Nixon (Brant): That was the Bennett government he was talking about.

Hon. Mr. Wardrope: We have today listened to one hon. member give a mathematical conglomeration of figures that nobody can understand, or is too interested in. The fact is this, that no man, woman or child in this province will ever suffer from hunger under this government, regardless of \$180 a month or \$140 a month or whatever hon. members opposite want to say.

I was through the thirties, I was chairman of the relief committee in the city of Port Arthur under the Hepburn government, and I can tell the hon. members that there were never such disgraceful conditions in this province. Trains were coming from the west down to the Lakehead full of unemployed; soup kitchens in our city; conditions existed then that will never happen again in this

province under a Progressive-Conservative government.

Interjections by hon. members.

Hon. Mr. Wardrope: We heard a conglomeration of mathematics. The hon. members all know that figures do not lie, but liars can figure. Now, these quotations from the federal bureau of statistics, and so on, remind me of the statistics in Denmark that one of the magistrates was telling me about, and it says this:

Forty-two per cent of the automobile accidents were caused by people who were drunk.

And the man that he told that to said that, that being the case, 52 per cent of the accidents must have been caused by people who were sober.

An hon. member: Fifty-eight per cent.

Hon. Mr. Wardrope: Yes, 58. All right. I said 52. The other 6 were Liberals. They do not count. I just wanted to show the hon. members how much use this conglomeration of figures is.

I have told the hon. members that nobody will ever suffer under this government, and they never have and they never will. Hon. members have heard the hon. Minister of Public Welfare tell them that he has already increased the allowances, and—the hon. members know this as well as I do—that above those allowances, if there is a family found in want, their needs are immediately assessed and the municipality has the power to look after those needs. Hon. members know in their own communities how this works. They get in touch with their welfare office and what happens? A humanitarian spirited man or woman goes down and looks after the needs of those that are suffering, and that is the way it will be under this government at all times.

I want to compliment the hon. Minister of Public Welfare on the humanitarian job he is doing in this province. I am not saying that politically because the people in this province know it.

Also I want to compliment the Deputy Minister, Mr. James Band, who, hon. members all know, is one of the finest fellows in this province. I will go further and compliment everybody on that staff, because I am speaking from personal experience as chairman of welfare under a former government.

Many, many of these things come to me and I know how they are looked after, and

the hon. members do, too, if they want to tell the truth. Our unfortunate people are given prompt, humanitarian treatment.

I want to say this, too. I want to compliment Mr. L. E. Ludlow, in charge of homes for the aged, on the wonderful job he does.

I remember hearing an old story which said, "The heaviest load a man or woman can carry down the afternoon pathway of life is an empty purse." Mr. Chairman, is that not true? Look at your homes for the aged today and compare them with what was available for the aged under the Hepburn regime—is there any difference? Under the Frost government, hon. members have places where elderly people can live in comfort, where their medical bills are looked after, and so is every other one of their necessities for life.

Yet hon. members talk about this government not wanting to do anything for those less fortunate. There has never been anything in this province, or in any other country, that can equal the Frost government record, and hon. members have had the experience, and so have I, of seeing them.

So I think that the hon. members, rather than criticizing The Department of Public Welfare of this government by using a lot of useless figures, should think of some of those things and admit them.

I want to compliment the hon. Minister again and all his staff, and to tell him that the people of this province are behind his department and the way he is administering it.

Do not forget this when hon. members speak of the unemployed of this province and the less fortunate. That is a very close thing to my heart, and I hate to hear it ballooned out of all proportion and I hate to hear many things that are not true said about the way people are handled by this government, because hon. members know it is not so.

I just want to put in that remark and tell the hon. Minister that, regardless of the opposition he has thrown at him from the other side, and all their remarks about ballooning these welfare costs and so on, there is no ceiling to our costs if a person is suffering. One does not have to put it down on paper; but hon. members know themselves there is no ceiling, and that the wants of our less fortunate people will be looked after.

Mr. Singer: Why do they have the regulations if there is no ceiling?

Hon. Mr. Wardrope: There are regulations, but when the necessity is shown and it is necessary to give more, then the regulations can be changed. Give me one instance of where this consideration is not given.

Mr. Singer: Can the hon. Minister tell us of one instance where the regulations have been ignored, where it has been more than \$80 a month?

Hon. Mr. Wardrope: Yes, I can.

Mr. Singer: Name one.

Hon. Mr. Wardrope: Right in my own riding.

Mr. Singer: Name one.

Hon. Mr. Wardrope: I can show the hon. member families there.

Mr. Singer: Name one.

Hon. Mr. Wardrope: Come and see me and I will show the hon. member the letters of thanks I received from those who have been helped.

Mr. Singer: No, I want it right now. Name one.

Hon. Mr. Wardrope: I do not divulge names publicly. Mr. Chairman, I want to thank you for this opportunity, but I just want to tell you there is nobody in my opinion suffering in this province due to the fact that we are niggardly in our allowance. The Frost government is a humanitarian government.

Mr. J. Trotter (Parkdale): Mr. Chairman, I would like to add a few remarks to the debate, but the only thing on which I can agree with the last hon. speaker is what he said with regard to Mr. Band and those working under Mr. Band. It is most unfortunate that the Deputy Minister is not on the Treasury board, for then I do not think we would get the cheap and niggardly payments we are getting for the people in need today.

I know in the last few days we have had mention before of the letter sent to each member of this House by the Elizabeth Fry society. I wish to mention briefly this letter in relation to the so-called 15 per cent raise in shareable allowances. I am told that the raise is at least 15 per cent, but the government is very careful in not mentioning any more.

As for it being above 15 per cent, the government is certainly not explaining itself at all. So I am assuming, from what I have

heard from the hon. Minister of Public Welfare, that 15 per cent is the maximum amount. For the information of the last hon. speaker, the regulations read that the payments allowed are the maximum, not the minimum. There is no minimum set under the regulations. There is a maximum set.

One of the main complaints that the social planning council has about the regulations is that it is quite difficult for many people in need to even get the maximum amount. For the information of the hon. Minister of Public Welfare and the hon. Minister of Reform Institutions, if they would consult with the social planning council in this area, they will tell the hon. Ministers that the people are not getting the maximum, that it is difficult under the regulations to get the maximum amount that is set out in the regulations.

The policy of this government is appallingly tied down from, first, lack of vision, and, second, lack of planning. The need in this province is to help the people who need it most. Certainly, those who need it are not getting the maximum amount required.

Mr. Chairman, just to demonstrate, I am going to use as an example the Elizabeth Fry society amount that a single person would receive. This was before the 15 per cent rise.

In that letter they pointed out that an individual would receive \$48.50 a month, and after all their various payments were made under the budget, they would have left 36 cents a day for food. So let us assume that this person gets this 15 per cent increase. He is allowed for rent 15 per cent more, which amounts to \$2.76. Instead of being allowed \$1 per month for clothes he is going to get \$1.15, and the 15 per cent rise for milk is so small it hardly bears accounting.

But, in the event he will get \$2.91 more per month, it will come out to about 44 or 45 cents a day for food. So we can see that the generosity of this government has allowed a person on relief from 36 cents a day for food up to the huge sum of 45 cents.

Hon. Mr. Wardrope: What is the unconditional grant?

Mr. Trotter: Perhaps the hon. Minister will tell me.

Here we have a situation, in this day and age, of people in this province in need having to figure out how they are going to live on 44 cents or 45 cents a day.

Certainly, for any government to stand up and give the cheap and niggardly increase

that has been offered here shows that they have no realization of the real need of the people in this province. Their whole approach is typical, not only in social welfare, but in so many of the policies of the government where it affects the interests of the people of this province. People in jail are fed better than the people who are in want.

Hon. Mr. Wardrope: They do not suffer any place. They do not suffer any place.

Mr. Trotter: Mr. Chairman, in the province of British Columbia they had, about two years ago, a similar problem to that which we have in this province—and especially in Vancouver. About 1959, the community chest and the council of Greater Vancouver undertook a combined research effort to see what their people needed.

I used British Columbia for two reasons: Firstly, they went to the trouble to make some proper research on the problem; secondly, British Columbia's standard of life is much the same as ours.

And in British Columbia, two years ago, they allowed \$186.50 a month for a mother with 5 dependent children. That \$186.50 a month was very similar to what we allow a head of a family with 6 dependants. Even two years ago, British Columbia paid more than we do now.

But, after their investigation, they made these recommendations which the Legislature in British Columbia acted upon in part by raising the shareable allowances by 20 per cent.

This committee, in British Columbia—and mind, this is of recent date, in 1959—made 3 recommendations which I would suggest the government in this province take to heart, bearing in mind the circumstances in British Columbia are very similar to what they are here.

This committee of the community chest, and of the council of Greater Vancouver, made these 3 basic recommendations:

Firstly, they said the basic scale of social allowance was inadequate. Secondly, the inadequacy, while it varied from case to case, was generally in the order of 30 per cent, that is, the allowances were 30 per cent less than the recipient needed. And thirdly, in some instances a 50 per cent increase in allowance would be necessary to meet the minimum needs.

The government in that province did not go all the way but at least they went 20 per cent across the board.

Here, all we have done is 15 per cent for

shelter, which is still ridiculously low in this province, especially in the city of Toronto where rents are about as high as anywhere in Canada. The allowances that are set out are absolutely foolish.

Therefore, I recommend to the government of this province the suggestion of some of this research made in a province that seems more anxious to serve its people than the government of this province.

In looking over the shareable allowances, I would also like to make one more recommendation to this government. Under their recommended budget, or suggested budget, only \$1 a month is allowed for clothes. Well now, the government in its generosity has raised that to \$1.15; and I would suggest that any minimum—the very basic minimum—for clothes in this province should be at least \$5 a month. Sixty dollars a year is not very much to clothe a person at today's costs, and certainly anything below \$5 is too cheap. It is not fair to any citizens who can call themselves citizens of the province of Ontario.

All these things we should bear in mind, Mr. Chairman. Ontario is not only the wealthiest province in Canada, it is one of the wealthiest places in the world today—and unless we can give our people the highest standard of living, no matter what their station in life, we are going to be held in disrepute by other countries and certainly by our own people in the years that lie ahead.

One other recommendation I would like to make is that not only should the clothing allowance be raised to \$5 a month, but the rent—instead of being boosted 15 per cent—should be raised at least 50 per cent. I think the hon. members will find that the social planning council in this province has recommended that, and can certainly demonstrate the basic need for that raise.

But, over and above all this, Mr. Chairman, I feel that we need perhaps “an agonizing reappraisal” of our approach to social problems, to social needs. Unless government today will take the broader view—not just “a little here and a little there” attitude, just as small an amount as they can—we are not going to meet the problem as we should meet it.

The very best that we can say about what is being offered by the government today is that we can be thankful for the small mercies, for the half measures. But what the government has offered is not even a half measure, it has a long way to go to make that fundamental reappraisal that is needed here in the province of Ontario.

At long last in our history we will agree

that everyone has a right to live, but the problem now is going to be how are people going to live.

We have shown in this province by the leadership of this government that, unless they are fortunate, people are going to live as miserably and in such a downcast fashion as possible. That little is going to be used from our overall resources to give to those people who need assistance the help they require.

I think it would be well for us to bear in mind the words of Franklin D. Roosevelt when he put through his United States social security Act in 1935. He said these words:

The test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little.

That should be a guide to us in the future. I well realize, in talking to a Tory administration, that there is no hope of that coming about under the leadership we now have, or through the attitude of the men now in office. We are hampered, as are the people in this province who are in need—and I regret to say that there are thousands of them and there will be more in the months ahead by what we can see.

Under the leadership we have, we are not going to improve immediately because we have a Tory government and, what compounds our problem, we have a Tory government that has been in power too long. It is too old, too self-satisfied, and has no hope of giving this province any leadership whatsoever.

Hon. J. A. Maloney (Minister of Mines): Mr. Chairman, I had no intention of taking part in this debate, and was very much impressed with some of the remarks made by some of the hon. gentlemen opposite. Then, when I realized how totally insincere they are in the remarks they have made, when I saw them able to laugh and heckle because my hon. friend said “52” instead of “58,” then I realized how very little they had the welfare of the poor of this province at heart.

These hon. members, as they have done in the unemployment debate, hope to turn this situation into some political advantage for themselves. Let me tell them that they cannot trot their way into power; they cannot sing their way into power on an issue of this kind, when we have a government such as we have here, doing all that we have been doing and are going to do for these people.

We have heard 3 distinguished lawyers,

3 eminent members of the bar, in the persons of the hon. leader of the Opposition, and that Hollywood character the hon. member for York Centre and the hon. member for Parkdale give us a lengthy dissertation on the ills of the poor of this province.

These hon. gentlemen are unfamiliar, apparently, with the Revised Statutes of Ontario, 1960, chapter 250, at page 916, where reference is made to part I, part II and part III, concerning municipal unconditional grants.

Do the two hon. members from Metro realize that they are receiving \$5.50 per capita of population—and for what purpose—in recognition of the larger per capita expenditures that municipalities with larger populations are required to make in providing welfare and social services including indigent and unemployment relief? They do not choose to bring that statute to the attention of the people of this province; and these payments are in addition to the welfare grants that are being made.

Mr. Singer: People are still in need.

Hon. Mr. Maloney: Mr. Chairman, I recall the days of the Hepburn administration when my friend the hon. member for Brant was a member and a very capable member of that government. These welfare measures were unknown in those days when people were really in trouble.

Mr. Chairman, this government is doing, and will continue to do, everything that is required to be done for these people. These hon. gentlemen across the way are seeking to give the impression that there will never be any change with a Tory government. Yet any change there has ever been in Ontario for the betterment and welfare of the people of this province has been under the leadership of a so-called Tory government.

I heard these hon. members campaigning in 1948, 1953, 1955, 1959—the same old story—they were going to come back into power. They will never come back into power again until they have a constructive realistic policy to offer to the people of this province that is comparable with the commonsense government which the people have been receiving at the hands of this administration. They can mark that down in their book.

Everything that has been said up to now by the hon. members of the Opposition who have spoken in this debate has been said and designed for one purpose and one purpose only, to try to obtain political advantage.

I heard the hon. member for York Centre stand up and say “Name one case”—does he want us to give the names of these unfortunate people?

We do not publish the plight of people. But if my hon. friend in all of his abundance—and he does not look to be suffering too much—

Mr. Singer: No more than the hon. Minister.

Hon. Mr. Maloney: As I said, whatever the hon. member is getting he is getting much more than he is worth, and when the people of York Centre have a chance to correct the mistake they made when they defeated the Progressive-Conservative candidate—

Mr. Singer: Come on up next time.

Hon. Mr. Maloney: I will tell the hon. member what he should do. He issued a challenge to the hon. member for Russell (Mr. Laverne) the other day to resign his seat because of the Eastview inquiry; I challenge the hon. member to resign his seat over the “missing file” and then go down to Russell and run against Gordon Laverne and see how far he will get.

John Barrymore at his best never had anything on my hon. friend when it came to shedding crocodile tears.

Mr. Chairman, our record has been before the people of this province since my hon. leader (Mr. Frost) became the Prime Minister of Ontario. We have placed our record before the people on numerous occasions; in 4 general elections and in 20 by-elections, and every time an appeal was made to the people of this great province their answer was an overwhelming endorsement of this great government.

Mr. R. C. Edwards: Mr. Chairman, after some of the impassioned speeches made by the hon. Ministers opposite, some of the charges which have been made that some of those on this side of the House might be wanting to play political football, I want to assure you at the outset, sir, that I have no intention of playing political football.

The hon. Minister said that some of us might want to talk our way into power, that some of us might want to sing our way into power. But I assure you, sir, that if the article which appears on one page of the Toronto newspapers tonight is true—if being in power means that we must treat those who are in need in the way in which this

article says they are being treated—if being in power means that, I have no desire to be in power.

Hon. Mr. Maloney: He will not be.

Mr. R. C. Edwards: To some of the comments that will be made from the other side, and particularly from the hon. Ministers, stating we should have faith, I might say I am happy to have faith in that government so far as they will accept their responsibility. But it seems to me that with leadership, Mr. Chairman, goes responsibility.

I would like to read very briefly some parts of the article mentioned. I would suggest to this government that either they prove that these statements are wrong or else change their policy and do something for the people who are in need.

It would seem to me that in a great province such as Ontario—a province which the hon. Prime Minister states has shown a surplus for the past 17 or 18 years since he went into government—and if it be true that the province of Ontario and, in turn, the Dominion of Canada have a surplus, that the granaries of western Canada are bursting with wheat, that we have a surplus of butter, of cheese, of apples, of eggs, of powdered milk, and if we have the wealth that the hon. Prime Minister has so often stated we have, surely we can have a compassion for these people who appear to be in need.

Mr. Chairman, this is not a political football; these are human beings. If they are going without enough food in their stomachs—and it has been said that an army marches on its stomach—I would tell you that a nation is just as strong as its stomach is full. If their bellies are empty, Mr. Chairman, we cannot hope to justify democracy which we claim to be the best system of government in the world.

The responsibility, Mr. Chairman, rests with the government. If these people are actually in need, then I say this government should take its responsibility seriously.

I do not think these people should be treated as statistics; they are human beings. If they are going hungry, Mr. Chairman, surely there is no justification for this in a country which prides itself in being a Christian country, since the very basis of Christianity is taking care of those who are not able to take care of themselves. Surely there is no justification for a government to continue to stay in office and to use this thing as a political football.

Hon. Mr. Wardrope: Did anybody say that?

Mr. R. C. Edwards: The hon. Minister did.

Hon. Mr. Wardrope: I said that the Opposition made it a political football, I am convinced of that.

Interjections by some hon. members.

Mr. R. C. Edwards: Mr. Chairman, every time some of the newer hon. members of the Opposition bring up a situation which exists in Ontario today, some of the older hon. Ministers compare it with a Liberal regime that was in power long ago when some of us were still infants under our guardians' care. Surely we are not responsible for any of that policy, even if it did exist, which it did not?

Hon. A. Grossman (Minister without Portfolio): The Liberals keep blaming us for the depression which happened in 1930.

Interjections by some hon. members.

Mr. R. C. Edwards: Mr. Chairman, I read in the paper tonight that, in the city of Toronto, where this debate is taking place, there are hundreds of families living on little more than porridge, dozens who cannot even scrape up carfare to seek work or welfare, scores of little children who cannot go to school because they have no shoes, and scores more suffering from colds and malnutrition because they have not enough to eat or wear.

An hon. member: That was denied by the Department of Education of the city of Toronto, in the same paper; if the hon. member bothered to read it.

Mr. R. C. Edwards: Mr. Chairman, this is a pretty serious charge, and if the government is sincere at all I would suggest that they bring this gentleman to the health committee, and have him bring some statistics with him, and let us find out whether or not these people are in need.

Before one can attempt to solve a problem, he must first recognize the problem that exists; and I suggest that this government at this time does not recognize the problem which exists today with respect to unemployment and consequent need of welfare assistance.

I should like to quote again, to point this out from the speech of the hon. Minister of Public Welfare this afternoon when he said:

There has been some concern because the whole North American continent is experiencing a letdown in employment opportunities. I should say that I, for one, am satisfied that this slowdown is not of

a permanent nature. I am confident that economic conditions in Ontario at least will accelerate and absorb even a greater working force than that employed at the present time.

Mr. Chairman, I hope that they will at least do that. I would suggest to you that the amount of money which has been set aside in the budget for welfare assistance today reflects that attitude in the government. And I would say to the hon. Ministers who are responsible, I certainly hope that they are right; but if they are not right they have made absolutely no provision at all in the budget for the situation which has been experienced in Ontario this past year.

Unemployment benefits are running out, more and more people are going to need welfare assistance, and certainly there can be no justification for us to go on living in splendour, living in comfort—we who are not hungry—and failing to consider the needs of those who are in the plight that they appear to be in tonight.

Hon. Mr. Wardrope: Has the hon. member ever taken a man to the welfare office? What is the treatment when he takes him there? The hon. member knows the man is treated humanely under the Frost government.

Mr. R. C. Edwards: I would say this to the hon. Minister. Today I am very fortunate; I have been able to earn for myself since the war a very good living. But, Mr. Chairman, I know what it is like to live on relief; I know what it is like to be embarrassed and have hardly enough to eat; I know what it is like to be brought up in a home where, when my father was out of work, it was necessary to go on welfare benefits.

I suggest to you, sir, that we do not treat this as a political situation, but that we take this thing seriously and we make it our business to find out whether or not these statements are true; and if they are true then we do something about it.

Hon. Mr. Wardrope: I worked in a \$5 a month camp, I would like the hon. member to know, under a Liberal government. That was all that was available at that time.

Mr. R. C. Edwards: Mr. Chairman, I merely say this; that the budget which has been presented today for welfare of the unfortunate citizens of the province of Ontario in my opinion seems to lack compassion. It makes no provision, or very little provision other than a normal increase, for

those who are out of work, and a considerable number of people are out of work today as compared to one year ago.

I say, Mr. Chairman—

Hon. Mr. Wardrope: Look at the unconditional grants for welfare—\$5.50 per head in Toronto. In Hamilton, it is \$4.50 a head. These payments are in addition to other welfare grants.

Mr. R. C. Edwards: Well, Mr. Chairman, this \$4.50 a head; I do not know what the hon. Minister is speaking about, when he speaks of \$4.50 a head.

Hon. Mr. Wardrope: Unconditional grants of \$4.50 a head in addition to these other figures given by the hon. Minister of Public Welfare.

Mr. R. C. Edwards: I am only suggesting that the hon. Minister take a serious look, and if the situation which is reported in the press tonight is correct that he take immediate steps—

Hon. Mr. Wardrope: I am living with the needy every day, not just speaking in this House about them.

Mr. R. C. Edwards: Why does he not do something about it?

Hon. Mr. Wardrope: Well, I am living with it every day, and looking after them. Anyone who is in need I try to look after.

Mr. R. C. Edwards: I would ask the hon. Minister charged with the responsibility of The Department of Public Welfare whether or not this statement is true. The statement says that with economic conditions worsening, the social agencies have been pleading with the provincial government for a more realistic scale of payments to relieve human suffering. I ask the hon. Minister to stand up in this House and tell us whether or not that statement is true; and if these public agencies are pleading for more assistance it is not sufficient for the hon. Minister of Reform Institutions to stand up and defend the policy of the government. If the statement is true, then the responsibility lies not only on the government, but on every elected representative of the province of Ontario to take this situation seriously and do something to relieve this human suffering.

Hon. Mr. Wardrope: Is the hon. member trying to intimate that we are not serious? Did we ever hear anything more ridiculous in our lives? The hon. member will not get

away with that kind of thing. We are a humanitarian government.

Mr. R. C. Edwards: Mr. Chairman, I know that several statistics have been reported in this debate tonight, and as a real estate man in the city of Hamilton I know that rents are very high. I am told that the welfare allowance is \$18.50 a month for a room. Now, if this is true, I say without fear of contradiction that it is absolutely insufficient in the city I represent.

A delegation of unemployed attended on the Cabinet and on the various elected representatives of government within the last week. They supported the statements which are made in this House and which I have not heard denied by any hon. member of the government.

If these people are getting enough to live on, I challenge the government to stand up and say so; and if they are not getting enough to live on, I say it is the responsibility of a wealthy province to take care of them.

We have been known to give several millions of dollars away in foreign aid. Yet these people live within our own boundaries; they are our own people; and I think they have a right in times of economic stress to expect a little more than the very modest increase which has been submitted to this House today.

Mr. Chairman, I make this plea: I ask the government to take its responsibility seriously. We are challenged from without by another way of life, we are being challenged by the communists who are making gains every day. I say that if people are going hungry, children going without shoes, anything we can do will help their cause more than ignoring it; and nothing will justify our own existence more than taking this situation seriously and, if it exists, doing something about it.

Hon. Mr. Grossman: Mr. Chairman, I have listened with a great deal of interest to some of the remarks made today. I think if the hon. members wish to be helpful, they need not exaggerate a situation which is a serious one. They need not talk about children in this city going hungry and going without shoes, because that is rot, that is utter rot.

I happen to be a man who is associated with some of the agencies which wrote this letter, and I agree that something needs to be done to help out these social agencies.

Now the situation is bad enough, as I say, without—

Mr. R. C. Edwards: The statement was made that some of the hon. members were

exaggerating. As far as I can recall, I am the only member who made any statement that children were going hungry.

And, Mr. Chairman, that statement was a quote. I think the hon. Minister without Portfolio is taking it out of context.

Hon. Mr. Grossman: Well, I am sure the hon. member is taking it very seriously; all he can think of is yelling: "Tory times are hard times." Is that any help to this debate?

Mr. Chairman, as a member of some of these agencies and as a person who has worked with them for many years, I know what the situation is. I am not just getting up as the hon. member for York Centre did and making a complete speech out of just reading material which the social planning council sent to all of us, which is all he did, practically *in toto*.

I think the hon. member probably knows very little about what happens in these social welfare agencies.

Mr. Singer: Is what they say in their brief not true? If it is not true, why does the hon. Minister not say so?

Hon. Mr. Grossman: I am not endowed with the great knowledge, wisdom and histrionic ability of the hon. member for York Centre, nor was I born with a silver spoon in my mouth as he was. I know what I am talking about.

Mr. Singer: Is it true or not?

Hon. Mr. Grossman: If the hon. member will give me a chance, I will tell him.

If there are any children going hungry in this province, Mr. Chairman, it is only because the municipality or some agency is failing in its duty of informing the proper authorities or proper agencies. What some of the hon. members have said here is, in effect, an insult to some of the social welfare agencies in this province which have been working hard for years, with volunteer workers and with paid staff, to see to it that nobody goes hungry, nobody goes without shoes.

Now, that does not mean that the situation is ideal. There is much more that can be done and there is much more that should be done; and this government is doing what it can to meet the situation as far as it can.

Now, the hon. members opposite, of course, felt that the social planning council meeting called for tomorrow night would be a good platform for a lot of political propaganda. I can tell the hon. members of this House that I do not know what the

situation is going to be now. If the hon. Minister had not announced today what his budget was going to be in this respect, what his plans were to be in this respect, there would have been a great deal of concurrence and satisfaction at that meeting tomorrow night, that the 15 per cent overall increase in the budget would have made very many of those agencies happy. All hon. members opposite have done now is give some of them cause to say, "Well, why should we be happy?"

The hon. Opposition members have got up and said in the House that it is miserly, it is niggardly, it is cheap and it is nothing. Well, of course, it is not. A 15 per cent increase is a great increase; and the hon. members know that very well.

Mr. Singer: It is not.

Hon. Mr. Grossman: Mr. Chairman, the situation, if it ever is, will not be ideal for many, many years. There is always going to be a problem in this respect. The hon. Minister of Mines quite properly pointed out that the municipalities can raise their assistance to any degree they like. He stated that, in many instances, if that portion of the unconditional grant which was meant to be used for welfare assistance was all used, then some of the assistance to these people who are in need would have been increased to a large extent.

I say to the hon. members that they are not doing their community any great service by exaggerating the situation away out of proportion to what it is. There are people in need and there will always be people in need, and we have to do whatever we can to help them. Now they suggest that this government has only taken up some of the slack, which incidentally should be explained here, Mr. Chairman.

I speak of Metropolitan Toronto at the moment because I know the situation there more than I do about the area outside Metropolitan Toronto. The community fund people have decided that they are not going to subsidize direct relief and have therefore cut down on the welfare agencies, those who give direct relief—I think the figure is about 1.9 or 2 per cent—to cut off their budget.

As a matter of fact, at the same time they have increased the budget of some of the other agencies. But they have decreased the budget for direct relief.

They have done this so that these agencies would put pressure on the government to provide more direct relief money which

they think is the responsibility of the government. I am not going to argue with that.

This government has decided to take up at least that slack, and some more, by increasing its budget for this purpose by 15 per cent. I am sure the hon. members, unless they are looking for political capital, will find that at that meeting tomorrow night a great many of these people will be very happy with this as a move in the right direction. They will probably tell the hon. members so.

Mr. R. M. Whicher (Bruce): Like the hon. Minister of Mines, it certainly was not my intention to say anything here tonight, because I feel that much of the subject has been covered. But at the same time I must in my humble way reply to the hon. Minister of Reform Institutions who has cast what I would regard as very serious charges against us as members of the Liberal party.

When I was listening to the hon. Minister without Portfolio talking, and suggesting that we on this side were only talking for political satisfaction, I thought to myself: I wonder what the hon. Minister of Reform Institutions was talking about when he mentioned the fact that they were sending empty railway cars down to the province of Ontario in the 1930s, and they were filling them up with food and clothing to send back again out to the western provinces? He mentioned the fact that this was done under the Hepburn government, and he cast every sort of challenge, aspersion and everything that was nasty about that great man who is not here to defend himself tonight, or who is not even alive to defend himself.

Hon. Mr. Wardrope: He was a personal friend of mine. I said nothing derogatory about Mr. Hepburn personally.

Mr. Whicher: Mr. Chairman, may I say this much, that if Mitch Hepburn were in this chamber tonight he would look after the hon. Minister and the whole lot of the hon. members opposite in about 5 minutes. That is how long it would take him.

Hon. Mr. Wardrope: I would like the hon. member to know that Mr. Hepburn was a personal friend of mine. The hon. member thought I did not know him, but he was a personal friend of mine, and I would not say an unkind thing about him.

Mr. Whicher: It sounded very much like it, the way the hon. Minister was talking about him.

Hon. Mr. Wardrope: I did not refer to him at all.

Mr. Whicher: The hon. Minister called it the Hepburn government.

Hon. Mr. Wardrope: I called it the government of the day.

Mr. Whicher: The hon. Minister talked about the Hepburn government.

Unfortunately, Mr. Chairman, Mr. Hepburn is not here to defend himself.

Hon. Mr. Grossman: Mr. Chairman, certainly if you allowed a point of order to the hon. member for Wentworth on the point he raised, I should be permitted this point of order too.

I think that the hon. member for Bruce has so far not discussed anything which has to do with hungry children and children without shoes. Would he get to the point?

Mr. Whicher: Mr. Chairman, I understood that there were no children without shoes and there were no hungry children. That is the reason I had not mentioned it. But I am very happy to hear the hon. Minister without Portfolio remind us here tonight that there are children who are hungry and without shoes.

I wanted to confront the hon. Minister of Reform Institutions with this fact, that while this great former Premier of Ontario is not here or is not alive to defend himself, very fortunately we have the records. Because it just happens to be that I have the public accounts on my desk here tonight of 1934 when Mr. Hepburn was the Premier of this province. And very respectfully, Mr. Chairman, I point out to the hon. members of this assembly that tonight we are going to pass—I am sure we will—the general welfare assistance of \$7,973,000. If hon. members will look up the public accounts of 1934 they will find that they were passed in this same legislative assembly under the leadership of a man whom the hon. Minister of Reform Institutions throws scorn at here tonight.

Hon. Mr. Wardrope: May I correct this? I do not think I should have to take that. Mr. Hepburn was a personal friend of mine. I said nothing derogatory about him at all, and the hon. member is misconstruing my remarks. He was a personal friend of mine, and the hon. member for Bruce probably never knew Mr. Hepburn.

Mr. Whicher: Well, I might say, Mr. Chairman, that the hon. member for Bruce did know him. However, the hon. Minister said that under the Hepburn government

there were soup kitchens and that they were bringing railway cars down from the west to pick up food, and he said that never under this great government did we have anything like we had—the hunger and the lack of food and clothing that we had under the Hepburn government.

Well, Mr. Chairman, that is what I tell the House. In 1934—and these are your figures, and these are the public accounts of this province when Mr. Henry was Prime Minister of this province—there was \$7,514,000 voted under the heading of direct relief under The Department of Public Welfare. Tonight hon. members are voting \$7.9 million. But when Mr. Hepburn came in two years later, instead of \$7 million which was voted in 1934, or \$7.9 million which we are voting tonight, there was \$21 million voted in this province.

Hon. Mr. Wardrope: That is how bad unemployment was under the Liberals.

Mr. Whicher: Mr. Chairman, I may say that hon. members on this side get a little bit sick when hon. members opposite start talking about Mitchell F. Hepburn. I have heard the hon. Prime Minister stand up in this House and say what a great Premier he was.

Hon. L. M. Frost (Prime Minister): I never did; never.

Mr. Whicher: The hon. Minister stands up tonight and says that never were there such hungry children and people lacking employment as there were in the Hepburn regime. The hon. Minister of Reform Institutions has forgotten that Mr. R. B. Bennett was Prime Minister of Canada when all this was happening. He has forgotten tonight that the hon. Prime Minister of Canada is the Rt. hon. John Diefenbaker. And I say to the hon. members I have nothing against individual hon. Progressive-Conservative members, but I say this: It is a funny thing that these great relief problems, this great unemployment problem, comes every time there is a Tory government in power.

Hon. Mr. Grossman: Mackenzie King was in power when the depression came in 1930.

Mr. Whicher: Now, Mr. Chairman, I was very much impressed—go on back to Eastview; the hon. member will be staying there after the next election, anyway.

Mr. Chairman, tonight and this afternoon we have heard hon. members from the other side of the House on the government benches.

Mr. G. Laverne (Russell): Of course, the hon. members have been silent over there.

Mr. Whicher: I will bring ourselves into it too, but at the moment I want to discuss hon. members opposite; I will be glad to listen to them any time they want to speak. I will be sitting down in a minute and then we will listen to what hon. members opposite have to say.

We have heard hon. members from the government side stand up—as I would expect them to stand up—and say that the relief that they are giving to the people of this province is the greatest in the history of the country; that is what they said. They said that there are no hungry people, that everybody is properly clothed and that they are doing everything that is humanly possible for all the thousands of people in this province who are in want.

Now, I give this to you, Mr. Chairman, and through you not just to the hon. Minister of Public Welfare but to the hon. Prime Minister himself. In this province of Ontario we have newspaper men who are reliable men—many of them are sitting in the gallery. One of the reliable people in this province is Mr. Pierre Berton.

Mr. W. B. Lewis (York-Humber): He is not up there.

Mr. Whicher: Mr. Berton has written several articles dealing with this particular situation. This is my challenge: If the hon. Prime Minister, if the hon. Minister of Public Welfare or the hon. Minister of Reform Institutions, who is the high-almighty of everything on that side, or the hon. Minister without Portfolio—this is my challenge to them—call Mr. Berton before their committee and let us hear what he has to say.

Interjections by hon. members.

Mr. Whicher: I, of course, have no idea whether Mr. Berton would accept the invitation to appear before a committee of this House. But I have met him, and of course the hon. Minister has too. I had the privilege of meeting him once and I believe that he would come.

Now, hon. members opposite say that they are all right, that they are 100 per cent correct. This gentleman, a respected journalist in the province of Ontario, says they are all wrong.

Mr. Chairman, all I say is this: Either they are right or he is right.

Hon. Mr. Frost: We are right.

Mr. Whicher: Has the hon. Prime Minister the status to call him before a committee of this House? Does he know what would happen. The hon. Prime Minister would lose because Mr. Berton is right.

I say, Mr. Chairman, call Mr. Berton and let us see what is going on around this province. I ask this because I have a feeling that all is not the way the hon. Minister of Reform Institutions tells us. And do you know something, Mr. Chairman? The hon. Minister of Reform Institutions knows it just as well as anybody else.

Mr. K. Bryden (Woodbine): Mr. Chairman, did you call vote 1802? I trust that we have now cleaned up the battles of the thirties for tonight and can get down to some of the concrete and important problems of the 1960s.

Vote 1801 agreed to.

On vote 1802:

Mr. Bryden: Under vote 1802 I have one or two matters I would like to raise, Mr. Chairman. The first one is a relatively small one; it relates to item No. 4, a grant to orphanages. I notice the amount asked for under that item this year is \$100,000, which is \$10,000 down from last year's vote. I wonder if the hon. Minister could explain that reduction.

Hon. Mr. Cecile: Well, apparently, the only reason I have to give is that we do not expect to need any more than that.

Mr. Bryden: Did the hon. Minister not spend as much as he anticipated last year?

Hon. Mr. Cecile: I am advised that there was a drop in the number of institutions from last year, and \$91,600 was spent last year.

Mr. Bryden: Mr. Chairman, I would also like to refer to item No. 7 in this vote, relating to children's aid societies.

I notice that the hon. Minister in his introductory remarks this afternoon referred to the fact that he was planning to have a study or a review of the children's aid societies and their administration undertaken by the child welfare league of America. I have no doubt that this will provide very important and useful information.

I would like to suggest to the hon. Minister, however, that he might also give consideration to a letter received by me, and I believe by other hon. members of the House, some time

ago, from the association of children's aid societies of Ontario, asking for the appointment of a committee to undertake a study of the operations of the children's aid societies including a number of specific items which I will not need to read, as I have no doubt the hon. Minister has seen it.

Now, it is my feeling, and I have talked this over with some prominent people in the field, that the study proposed by the hon. Minister is not necessarily exclusive of the proposal made by the association of children's aid societies. On the contrary, the two ideas might very well be combined.

Certainly the study the hon. Minister has proposed should be undertaken, but I would suggest that, as well, something of the nature proposed by the association should also be considered. Whether it is a select committee of this Legislature or some other similar body, I believe that a committee hearing information and recommendations produced by the child welfare league, among others, would focus public attention on the whole problem in a very valuable way. There would be an opportunity for other discussions of matters which may be brought to light by the child welfare league and others.

Also, such a committee would give an opportunity for the numerous very well qualified people we have right in our own province to express their points of view and bring attention to matters that they have encountered in their own experience.

So, without in any sense criticizing the proposal that the hon. Minister has made, I would like to suggest that it be complemented by a select committee of this Legislature or some similar inquiry as proposed by the association of children's aid societies of Ontario.

I do not know if the hon. Minister wishes to make any comment on that; if so, I will be glad to sit down.

Hon. Mr. Cecile: Mr. Chairman, I do not mind making a comment on this. We have consulted with some members of the children's aid society, and we do not discard completely what was suggested by the hon. member for Woodbine. Only we feel that the time is not ripe to do that until such time as we have ourselves all the facts that we might receive from the welfare league and others connected with the children's aid society here and those who have seriously studied social matters.

In other words, before we would suggest having a select committee on this matter, we feel that the material at hand would not be

sufficient to instruct properly. I am not discarding the idea at all but I do not think the time is ripe now to do that.

Mr. Bryden: Well, as I understand it, then, Mr. Chairman, the hon. Minister will perhaps keep the matter under advisement.

There is another point that I would like to raise in relation to children's aid societies and children's protection generally. The hon. Minister in his statement this afternoon made reference—quite properly, I think—to the fact that it is possible it is best for children to be kept in their own homes. He quoted from Mr. Treen of Stratford, I believe, who said that:

Wherever possible, it is better for a child to be brought up by its natural parents than in foster care facilities of any kind. A child has only one set of natural parents and he knows it.

The one point that comes to my mind in connection with that, Mr. Chairman—and I think it should be given some further consideration—is that if this type of policy is to be implemented and encouraged and extended, and I trust it will be, it is necessary to expand the staffs of social workers in the children's aid societies because this type of treatment takes a great proportion of the time of social workers; it takes a lot of detailed attention by the workers to make that type of programme work.

Therefore, the case loads of the workers have to be small if they are to operate effectively.

I must say that I rather regret to see that the amount envisaged in grants for children's aid societies under item No. 7 for the coming year is exactly the same amount as was voted for the current year. I had hoped that there would be some increase along that line in order to enable societies to build up their staffs so that it would be physically possible for them to undertake some of these more enlightened policies that have been suggested in the hon. Minister's own statement.

I am wondering if it would not be better to place the children's aid societies on a total budget basis, an 80-20 basis of sharing, or something like that. I am not prepared to go into detailed figures at this time, but if grants were made on a total budget basis rather than on the present basis, then it would be possible for the society to allocate the funds as required, having regard to the nature of the various individual cases they are concerned with.

It would, I think, enable an increase of the very policy which the hon. Minister himself

recommends, which is to enable child protection work to take place within the home environment where the child is best left if at all possible. I would like to make that suggestion to the hon. Minister, Mr. Chairman.

Hon. Mr. Cecile: Mr. Chairman, I would just like to make this comment about the matter in hand, and I am glad the hon. member for Woodbine brought it up. That is what I have been looking forward to, but apparently the societies do not agree with me. I might say that Ontario, after New York, Pennsylvania and California, is the fourth highest spender for child welfare in the North American continent.

Mr. Thompson: Mr. Chairman, I would like to remind the hon. Minister that I did ask him a number of questions, and I wonder whether he has had time to write down those questions and whether I may have the privilege of having them answered during this discussion. Or should I ask them again?

Hon. Mr. Cecile: Mr. Chairman, I do not know if I remember them all, but I have heard so many political speeches in the last day, and I, myself, am only a politician once in every 4 years for about a month or so. I am not one of those opinionated fellows who writes magazine articles, and that sort of thing. I would rather, at all times, take advice from the elected representatives of the municipalities in the province of Ontario and their officers, whether relating to welfare or otherwise, and that is what I guide myself upon.

Being a man of peace that is the way I like to do it, and that is why we arrive at these results which are satisfactory apparently to all these people.

I might say that my greatest supporter in all this is the mayor of Hamilton himself.

As far as the Indians on the reserves are concerned, I cannot say anything further than that we have advanced as far as this, but we have made progress in the reserves.

The Indians off reserves are treated like every other citizen in Canada, might he live in Ontario cities or any other place; he has the same privileges as any other citizen as far as my programmes are concerned.

Mr. Thompson: When I raised this question during the last session, I explained that there was a very extensive study being done by the Manitoba government. They have done a number of studies in connection with the whereabouts of the Indians, realizing the problem that an Indian can be looked upon as a second-class citizen and often

goes to the slums and gets into trouble. The hon. Minister suggested to me last year that he had a similar study undertaken, and that I would hear the results of that soon. Now he is getting away from that study.

Hon. Mr. Cecile: I am not getting away from it. That is not what was meant. I think the hon. member for Kenora (Mr. Wren) brought that up last year.

Mr. Thompson: I can see the difficulties attached to those Indians living outside of reserves, but I am concerned about the responsibility for looking after the Indians who live in the city of Toronto or the city of Windsor, for that matter.

Hon. Mr. Cecile: This is also in course of being done, but I can assure the hon. member this is not an easy task because the territory is a very wide one. As he knows, these very people for some reason over which I have no control, I am sure, are very fearful of white men and they do not co-operate too well. That is why it is easier to deal with the bands than with those who are wandering around. There is some progress being made along that line, I can assure the hon. member.

Mr. Thompson: I can see the difficulties attached to this, but I do feel if The Department of Citizenship which is going to work under the able guidance of the hon. Provincial Secretary is helping newcomers from Europe and other countries, I feel that it also has a prior obligation toward our first Canadians, the Indians, to help them when they leave the reserves and come here. But apparently this is not an area in which the hon. Ministers are concerned or can be concerned.

Mr. A. F. Lawrence (St. George): Mr. Chairman, are we still on vote 1802? I would like to rise just to indicate my support for the resolution recently sent to the government by the Ontario association of children's aid societies.

The speech from the Throne, I think, did mention that the government was proposing to undertake a review of the policies of the children's aid societies. Also, in effect, the resolution sent to the government by that association merely, I believe, is a plea by them to be included in the consideration for setting up a committee if a committee is to be set up by the government. I support that view; I think it is a very fair and reasonable request, and if serious reconsideration of the policies governing the societies in Ontario is to take place, I think they should certainly be consulted.

Hon. Mr. Cecile: I must say that I join with the hon. member in expressing the hope that he has, but that is as far as I can go.

Mr. Thompson: Cannot the hon. Minister go to Ottawa and suggest something to them?

Hon. Mr. Cecile: I have been doing that ever since I have been a Minister of this department under two administrations, and I have a 5-year period under the present administration, but that is about as far as I could go.

Mr. Thompson: What about the other questions with respect to the children's aid studies?

Hon. Mr. Cecile: I am still awaiting that report. We should have it any week now.

Mr. Thompson: How long has the hon. Minister been waiting for it, 3 years?

Hon. Mr. Cecile: I am sure Miss Touzel is doing the best she can, but she is a very busy lady. She has many other things to do, but I think the report will be worthwhile waiting for. As far as the charity organizations which the hon. member spoke about are concerned, I must say that I still preach the doctrine in this respect. I see the county of York is now in process of organization, and I am advised that at least 5 or 6 counties in the province are starting the machinery, so I hope it will carry through and I agree with him that it would be a very good thing.

Mr. Thompson: I would like to congratulate the hon. Minister on that. The other question that I had was in view of the survey done by the agency in Toronto with respect to institutions for children. As the hon. Minister says, he has read this report. I am sure he realizes that a quarter of the children in those institutions in Toronto were found to be under the age of 6. A large number of them were found not to be emotionally disturbed, they were perfectly normal children but there were no other foster homes in which to place them.

I realize this would cause the hon. Minister the greatest concern, and I asked the question, what is he going to do about this? If it is the situation in Toronto, it must be the situation in all the other institutions in Ontario.

Hon. Mr. Cecile: The only answer I can give to that, Mr. Chairman, is this is in the package deal that Miss Touzel is to report upon, and I could not give any information that would be worthwhile at the present

time. I may have something before the session is over, and if I do I shall be very glad to let the hon. members know.

Mr. Thompson: Has the hon. Minister any plans for aggressive action in some way? He is the hon. Minister of Public Welfare, and these children indirectly are his concern. This report would suggest that these children are being deprived of proper home atmosphere, are being marred psychologically. A quarter of them should not even be in there—what is he going to do about that?

Hon. Mr. Cecile: This I will have to tell the hon. member some other time, I am afraid.

Mr. Thompson: I hope I can get an answer before the end of this session.

Hon. Mr. Cecile: I hope so, yes.

Votes 1802 to 1804, inclusive, agreed to.

On vote 1805:

Mr. Thompson: I would like to ask this one last question. I would like to congratulate the hon. Minister and his department on this training that they are giving to the staff. I think this is a real step forward, but I would like some information as to how long this course is.

I read a rather disturbing article in the newspaper saying that a person can be trained within 6 months. Could the hon. Minister tell us how long this course is, how many of his people are taking the course?

Hon. Mr. Cecile: I am advised that it takes from a month to 6 weeks to train the municipal people. Is that what the hon. member had in mind?

Mr. Thompson: That is right.

Hon. Mr. Cecile: Maybe the best thing I could do to give a proper answer to this would be to furnish the hon. member with a copy of exactly what is required and what the qualifications are. This might be a little lengthy to give at the present time.

Mr. Thompson: What I would like to know is whether the hon. Minister is satisfied with this as his means of training people, or is he hoping to advance further and give more advanced training to them?

Hon. Mr. Cecile: As the hon. member knows, an advisory council has been appointed of which Mr. Hendry is the chairman, and I have been taking their advice. I am quite sure that they are

advancing some ideas which I hope will be considered. I cannot say that we are completely satisfied at any time, and I must confess unfortunately to something over which we have no control, that really qualified people are very difficult to get, and we have to do the best we can with the material at hand.

Mr. Thompson: May I ask if, when the hon. Minister refers to the really qualified people, he means people who have graduated from schools of social work?

Hon. Mr. Cecile: That is right.

Mr. Thompson: He has a qualification with respect to the scholarships—that is, the scholarships that he is giving to people going into the school of social work. Does he not have a qualification that they must serve a certain period within the public service after they graduate? Does he think that this is a narrowing point of view on these people, that they do not want to be bound to this obligation immediately when they are just starting their courses? Is this the reason why the hon. Minister is not getting people? It is interesting to note that graduates are going into all other fields, but they are not going into his.

Hon. Mr. Cecile: There have always been very few, and I think the societies have benefited quite a lot by that. I might say the length of time they would like to serve is one year. Does that answer the question?

Mr. Bryden: Mr. Chairman, with regard to item No. 4 of vote 1805, we have had a substantial number of general statements about the general welfare assistance allowances, including the hon. Minister's own somewhat cryptic statement this afternoon. I would like now try to get down to specifics on these allowances and the increases which are envisaged. In an effort to do that, I would like to take one or two examples.

The hon. Minister stated this afternoon that the new schedule of allowances will be distributed as soon as it is printed, from which I assume that the hon. Minister now has them in his possession although they are not yet available for public distribution. If he has them in his possession, no doubt he will be able to answer questions about them.

To take an example, under the regulations which have been in effect up until now, the government undertook—to use the words of the regulation—"to pay to the municipality 80 per cent of the shelter allowance up to

certain specified limits which are set forth in a table below."

Let me take one item out of the table: for a 5-room house, the monthly shelter allowance is shown as \$31, which is the maximum up to which the government is prepared to pay 80 per cent, as I understand it.

Now, would the hon. Minister indicate what that \$31 figure now becomes?

Hon. Mr. Cecile: It becomes \$37.

Mr. Bryden: And the government will pay up to 80 per cent of the \$37, which would be a little over \$30. I am not a mathematician, but it would be something like \$30 or \$31. That is without heating?

Hon. Mr. Cecile: Yes. There is another allowance for heat.

Mr. Bryden: I am just taking a particular example. I know there is a whole schedule but I do not think we have to go into every item.

But I do think, Mr. Chairman, that it is time we tore away the camouflage from the manner in which the government presents its policy on these allowances to the public.

It is stated in the regulations that it will pay up to 80 per cent of what was \$31 and is now \$37. Of course, 80 per cent sounds like a very generous figure, but that is not what is happening at all. The government is not paying 80 per cent of anything in particular. The amount on which it is paying 80 per cent is a totally arbitrary, meaningless figure simply plucked out of the air without any relationship at all to any rent that anybody actually has to pay.

I will not attempt to speak for the whole province. But as far as I know in this city, and certainly there are some pretty well-qualified people who produce figures of this kind, for a 4- or 5-room house unheated, it is necessary to pay in rent something like \$80 or \$85 or \$90. I can name a lot of 5-room houses where one would have to pay more than that for rent, but there are certainly few where one would pay less.

That was the figure suggested in the analysis made by the social planning council which has been already read out almost verbatim here. I will not go into it again, but one of the examples they gave is an example of a family with 2 parents and 5 children in a semidetached 5-room unheated house, rent \$85. I do not think it is an actual case but they took it as being something which they regarded as typical.

So the rent is something like \$80 or \$90

a month, and what the government is paying is not 80 per cent; it is paying something closer to 35 per cent, or perhaps at best 40 per cent. I think we should forget about this figure of 80 per cent because it is a piece of mathematical juggling.

The hon. Minister of Reform Institutions was complaining about mathematical juggling a little earlier. It is unfortunate he is not here now, but here is a prime example of it. The figure of 80 per cent is stated, but it is not 80 per cent at all; when the government here says 80 per cent, it means 35 per cent or 40 per cent and that is a very great difference. The remaining 60 per cent or 65 per cent has to be found elsewhere; it certainly does not become available from government grants.

Hon. Mr. Cecile: One hundred per cent. The hon. member is juggling figures too by taking an arbitrary figure of \$80.

Mr. Bryden: I am speaking of the figures in this area, which I know best.

Hon. Mr. Cecile: I have to think of the province.

Mr. Bryden: I think the hon. Minister should also think of the largest municipality in this province, and at least I take it we are on common ground, that the government does not pay 80 per cent.

Hon. Mr. Cecile: It is \$5.50 per capita.

Mr. Bryden: That figure will, I have no doubt, be referred to until the end of time, but the government regulations still talk about 80 per cent for shelter allowance and the shelter allowance is strictly phoney, certainly as it relates to this municipality. That is one of the great problems.

Hon. Mr. Cecile: We say 80 per cent of the amount that is paid under these regulations by the municipality, not on a special item, but on the whole amount.

Mr. Bryden: The government pays 80 per cent of what, the total amount that is paid?

Hon. Mr. Cecile: Of the total amount that is paid for relief, rent, food, everything that the municipality pays for that particular individual.

Mr. Bryden: But all that was allowed as far as rent is concerned was \$31—now \$37 in the specific case I am talking about.

Hon. Mr. Cecile: That is calculating it, that is all.

Mr. Bryden: Well, I know, but the government's method of calculating it is totally unrealistic, and that is the basis of the problem which has arisen and given rise to very real concern by the social planning council in Metropolitan Toronto. I cannot speak for other municipalities because I am not familiar with them, but certainly there is some very real concern here.

The basis of the problem is the totally unrealistic attitude the government takes on the question of rent. The entire budget becomes undershot because insufficient is allowed for rent. What happens is that the family has to use the amount theoretically allowed for other items such as food in order to pay the rent. Nobody can get rent for the sort of figures that the hon. Minister is talking about.

I would suggest to him that although he has made some increases—and nobody would complain about the increases which he has made in the allowances that are to be paid—he has still failed to face up to the problem in a realistic manner.

He should first of all get some information with regard to rents. He stated in his announcement this afternoon that studies have now been completed which will mean an upward adjustment in the amounts of allowances. I do not know what studies he was referring to, and I do not think he said so in his speech. But it is quite obvious that he has not made any studies of rent in this area or he could not come forward with this sort of unrealistic proposition.

I am going to suggest that he should at the earliest opportunity arrange for a rent study to be made in areas throughout the province. Let us find out what it is in fact necessary to pay for rent and not rely on some figure pulled out of the air. Then we can consider allowances in terms of the amounts which actually have to be paid, not an arbitrary figure that does not mean anything.

Until that is done, Mr. Chairman, we will never get a realistic policy on welfare allowances.

I am not going to take the time at this late hour to go into some of the other items.

Mr. G. W. Parry (Kent West): Thank heaven.

Mr. Bryden: I know the hon. member would not like to take time to consider any of these matters. I am not going to take time to go into the others because I believe that this one is basic. This is the first one

that has to be handled; something has to be done about rents.

A few days ago, the hon. leader of the CCF suggested to the hon. Prime Minister that this particular phase of these estimates should be held over until hon. members from the Metro area had a chance to meet with the people from the social planning council. It was a very reasonable request, in my opinion. The hon. Prime Minister said words to the effect that all this will be taken care of.

I will concede, Mr. Chairman, that I have been conditioned by experience to take announcements by the hon. Prime Minister with a little sprinkling of salt, because I have found that when one gets down to the details they are rarely as good as they sound when he makes them.

But I certainly had no idea that such a vast quantity of salt was required with respect to that particular statement of his. Really nothing has been fixed up, nothing has been settled.

There has been a slight increase in the amount of money available, but the basic problem to which the social planning council has been calling attention has been the inadequacy in the entire structure of the budget. That has not been touched at all; this miserable little piece of patchwork is certainly no substitute for a proper reconsideration of the regulations in their totality with particular reference to getting realistic figures for rent.

Hon. Mr. Frost: Mr. Chairman, might I say to the hon. member that he puts his finger on a matter which is of course difficult. Rents across the province, as he will understand, vary to a great extent. We have studied the matter and it is an exceedingly difficult problem.

We have discussed with the welfare people in the past the problem of zoning. He will readily understand the administrative difficulties in a zoning arrangement. It is very difficult to zone this area or any other area, for this reason: in order to come to a zone we must have a boundary somewhere, and on one side of the boundary we have one zone and one rent figure, and step 25 feet across the line and we have a different one.

That is the reason for the introduction of the unconditional grants to municipalities. We felt it would be better to try to arrive at a grade of municipality based on population. We did a very extensive survey, in which we took the welfare cost of various grades of municipalities, and we graded the unconditional grant to that to enable them to have

the money to take care of the situation themselves. That was the purpose of it.

That in itself, I would say to the hon. member, created some difficulties from this standpoint. If he will go back to the old figures, in the townships it was \$1.50 and in Metropolitan Toronto \$4. The reason for that was very greatly misunderstood. The hon. member for Bruce consistently and perpetually misunderstood the particular point as to what the necessity for the requirement was.

Now, I would say to the hon. member that the reason was an effort to give the municipality the money to take care of those variations. I think that is about as concise an explanation as I can give to him.

There is no reason why there should not be a change in that except to make sure we are bettering the situation. After all, this is a calculated system, and I think that it has worked reasonably well.

Of course we can change that. We might say, let us use the money in providing for a direct graded assistance ourselves. I can only say that the problems in so doing are very great.

Now, in the discussions which arose in connection with increasing the amount of the food and other allowances, the most difficult area in Ontario—I think the hon. Minister would agree with this—is probably Metropolitan Toronto. I think it is the most difficult area.

As a matter of fact, in very large areas of the province, and with the great majority of municipalities, it is not a problem at all but it is undoubtedly a problem in Toronto.

We acknowledge that and we have, I think, taken reasonable steps to try to meet it. Instead of attempting to grade the area through zoning we have made the allowances apply across the board.

As a matter of fact, we freely admit that the allowances which we provide in a very large number of municipalities are in excess of the request. Now we provide that they do not have to supply those things which in their discretion they think are not necessary.

On the other hand, we do pay up to 80 per cent of the amount in all cases where the amounts are expended. But in this difficult area here, the amount of the unconditional grant is now \$5.50 per capita of the population to take care of the incidence of welfare problems such as this. The Treasury board—which has been much maligned and criticized and called a Scrooge-like body—actually speaking, is taking into consideration

those things, and I think the hon. member has to read them together.

For instance, here in Metro the \$5.50 per capita amounts to a tremendous sum of money. If it is felt that that is not being spent in a way which reasonably supplements the allowances made, consideration could be given to a change.

On the other hand, I am bound to say this. The city and the Metro welfare organizations really do a very excellent job. I do not think they can be criticized, I think they do a very excellent job.

I would say that the position of the municipalities has been very much bettered by the abolition of what I referred to this afternoon—that is the .45 per cent threshold provision which applied in other days, and which meant that there was segregation of the unemployed and the unemployable.

That has been abolished, with the assumption of the federal and provincial governments of 80 per cent; of which the federal government pays 50 per cent, I think, and the municipalities being cut down to 20 per cent—whereas it used to be 50 per cent and then cut down to 40 per cent.

The whole tenor of it was to put the municipalities in good financial shape, to supplement the schedules which I can assure the hon. member are very difficult, indeed impossible, to really equalize from a provincial standpoint.

That is the situation, and that is the way it works out; and I can assure my hon. friend that there has been a very forthright effort to meet that situation over the years. I say to him what has been said here tonight: one never reaches perfection in these things. As a matter of fact, in the general picture we do the best we can.

There are bound to be some hard cases and some difficult cases.

On the other hand, this is true: that in those hard cases—the difficult cases which are always exceptions to the rule in any plan that one devises provincewide—there is the strength of the municipalities to take care of them, and they are really placed in funds to do it.

In addition to that, of course, there are the great welfare organizations that do a tremendous job in levelling out those things because of their knowledge of cases, and their association with communities.

I think that is roughly the situation. I can assure the hon. members of this House that, of course, there are a great variety of cases and conditions to meet. Undoubtedly one can

pick out, in the great number of cases there are, cases of difficulty and hardship, and cases which look absurd. That is always the case.

Interjections by some hon. members.

Mr. Bryden: Mr. Chairman, I would like to follow up on one or two questions with regard to item No. 4. I would like to ask, first of all, if the department or any agency of the government has in fact conducted any surveys of rent as it applies to people on welfare in the province or in any parts of it?

Hon. Mr. Cecile: Mr. Chairman, I would like to say that I would suppose 3 or 4 times a year I have occasion to meet with all the municipal officers or their executives in my office, at their conventions, and many places, where these matters are all discussed and put together.

Mr. Bryden: Well, on surveys, does the hon. Minister find they think the rental figure, for example, of a 5-roomed house is \$37 or whatever the figure he is providing in the regulations?

Hon. Mr. Cecile: Well, I would say, outside of the larger centres, it is more than adequate.

Mr. Bryden: Well, how does the hon. Minister define the larger centres?

Hon. Mr. Cecile: We explained that just a moment ago; I have been trying to do that all through the evening. There are other ways and monies provided for that very purpose.

Mr. Bryden: I know that; I am just asking the hon. Minister a question on what he has found out about rents. There is a great deal of talk to the effect that, once one gets outside of Toronto, rents are very low.

Well, that is rather an exaggerated statement. If one takes the places where most of the people of this province live, rents are far higher than anything that is suggested here. I certainly have not made any surveys and I am not going to say how high they are, but I suspect that they are little, if any, lower than they are in Toronto, when we take most of the major cities of this province. So the problem we are talking about is not purely a problem relating to Toronto.

One other question I would like to direct to the hon. Minister on this matter, Mr. Chairman, is: Why does he, in his regulations, use this curious circumlocution, "shall pay to the municipality 80 per cent of the amount of the shelter allowance" up to a certain maximum?

Surely that is a long, roundabout way of saying that, in a specific case such as I was talking about, he is going to pay about \$30, which is far from being 80 per cent or having any relationship to 80 per cent. It is about 35 per cent or 40 per cent. Now, why this curious circumlocution to bring in the figure of 80 per cent?

Hon. Mr. Cecile: Well, I do not write the statutes; the law officers could explain that better than I.

Mr. Bryden: It is, perhaps, a little bit of propaganda rather than an attempt at accurate lawmaking.

Hon. Mr. Cecile: Oh, no. If I was in the hon. member's boat I would say it was propaganda all the way, but I do not happen to be.

Mr. Thomas: Mr. Chairman, on item No. 8, the subsidy for services of homemakers and nurses, this year the estimate is for \$215,000. Last year it was \$450,000. Would the hon. Minister care to give an explanation why there is such a reduction?

Hon. Mr. Cecile: The reason is we expect to spend, this year, around \$185,000 possibly. Last year we spent under that; that is why it is reduced.

Mr. Bryden: Why was it the hon. Minister spent so little when he expected to spend so much, Mr. Chairman?

Hon. Mr. Cecile: Well, we thought of this matter—we had advertised quite a bit and we thought it might blossom out, but for some reason that I cannot explain, it did not.

Mr. Thompson: Can the hon. Minister tell me how many municipalities have an arrangement with the homemakers?

Hon. Mr. Cecile: I beg the hon. member's pardon?

Mr. Thompson: Can the hon. Minister tell me how many municipalities have joined with him in respect to homemakers' services? There were, I think, about 20 municipalities before.

Hon. Mr. Cecile: Between 30 and 40, I am advised.

Mr. Thompson: And is that an increase over last year of 14?

Hon. Mr. Cecile: No.

Mr. Thompson: Is it a decrease?

Hon. Mr. Cecile: It would appear to be static, I would say.

Mr. Thompson: I would suggest—thinking both of elderly people and others—this homemaker service is a vital thing. I congratulate the hon. Minister for having it, and I think it will ease the crowding of institutions, and I would hope he is trying to get a much larger number of the municipalities to form an agreement with the government on it. How is the hon. Minister actually pushing the homemaker service?

Hon. Mr. Cecile: What was the last word the hon. member said? He said "how" what?

Mr. Thompson: How does the hon. Minister try to get—for instance, he says there are now 34 municipalities who have joined with his department in the homemaker's service—how does he promote this? If he wants this done, how does he promote it with the other municipalities?

Hon. Mr. Cecile: Well, the promotion is really a matter that is left to the local area or the local municipality. I cannot impose it upon them. We suggest it and it is a very good programme, as a matter of fact.

Mr. Thompson: The hon. Minister encourages it—how does he encourage it? Does he have people travelling around talking about it, or what?

Hon. Mr. Cecile: That is right. Our supervisors, as they go through the 17 districts that we have, suggest that and promote it. However, maybe we are aiming a little too high at the time and that is why the matter is static now.

I have here some figures from January 1, 1960 to December 31, 1960. The number of family cases was 1,467, including 5,419 children, and the number of single cases were 177. The total amount expended, the provincial share, was \$171,273.45.

In other words, the municipal share is 50 per cent, so the total was really \$342,000. Homemaker days, 16,333; and nursing visits a little better than 93,000.

Mr. Thompson: Would I be unfair to suggest that the municipalities that have joined with the hon. Minister in the homemakers' service are the wealthier municipalities; and the municipalities that do not have as much money, and would probably need the service more, are not able to afford this service?

Hon. Mr. Cecile: Oh, it is pretty well spread around.

Mr. R. C. Edwards: Mr. Chairman, I should like to ask a very short question with respect to these unconditional grants which have been mentioned several times this evening.

Could the hon. Minister tell me whether or not any record is kept of how the money to be given to the municipalities is spent?

Hon. Mr. Cecile: That is up to the municipality entirely. It is an unconditional grant.

Mr. R. C. Edwards: Is it true, then, that they could use one for a fire engine?

Hon. Mr. Cecile: Yes. They may buy anything they wish—sidewalks, if they wish.

Mr. L. Troy (Nipissing): I notice in vote 1804 there is an increase in the general welfare assistance fund from \$6,480,000 to \$7,973,500. Is that because of the higher grants or does the government forecast there will be an increase in unemployment and is making provision for gloomy days ahead?

Hon. Mr. Cecile: Does my hon. friend wish to make another political speech?

Mr. Troy: No, no. What is the answer, sir?

Hon. Mr. Cecile: I shall leave it to the hon. member.

Mr. Troy: What is the reason for the increase?

Hon. Mr. Cecile: There has been an increase in the rates as we have heard today, and I like to be on the safe side in anticipating what may be required.

Mr. Troy: About 20 per cent?

Hon. Mr. Cecile: Well, whatever it might be. If my hon. friend thinks I am gloomy in this thing he is very wrong; I am just trying to play safe.

Mr. Whicher: That is a good way to play.
Vote 1805 agreed to.

On vote 1806:

Mr. Thomas: Mr. Chairman, on vote 1806, I cannot let this one go by without some comment. The hon. Minister has been receiving quite a lot of criticism here today, quite a few brickbats have been thrown at him. I am going to throw a bouquet for a change.

I want to commend the government on the home for the aged stand. Last year in

Oshawa we completed a home called Hillsdale manor. It is a beautiful home. One can see many very happy people enjoying the remainder of their days in this home. I would like to say, Mr. Chairman, on behalf of the city of Oshawa, that the council and everyone in the city extend our sincere thanks to the hon. Minister, and to Mr. Ludlow in particular, for their assistance in building the home in Oshawa last year.

Mr. Troy: Mr. Chairman, may I add my commendation to the hon. Minister, to Deputy Minister Mr. Band, and to Mr. Ludlow, for what they are doing in the city of North Bay for the home of the aged in east Nipissing and in west Nipissing at Sturgeon Falls. I also want to include in my commendation the very fine superintendent of the home for the aged in east Nipissing.

Mr. Bryden: The hon. Minister must see, if we had gone tearing along as he apparently wanted, those nice little bouquets would not have been passed across the floor.

Vote 1806 agreed to.

On vote 1807:

Mr. Bryden: Under vote 1807 I would like to refer to item No. 8, relating to old age assistance. I presume the hon. Minister received the documents which I have before me, which is a copy of a brief which was presented on behalf of the city council of Toronto to the hon. Minister of Public Welfare on May 25, 1960. This was sent to me, and other hon. members I have no doubt, on June 3, by the city clerk. It relates to the question of old age pensions and old age assistance, and is based on a resolution which was adopted by the city council on motion of Controller Dennison, asking that the province do what it can to have the old age assistance and old age security pensions raised from the present totally inadequate level of \$55 to a higher amount.

The suggestion is that the higher amount should be \$75.

The brief points out that the city, along with some other cities, has found it necessary with the assistance of the province to pay supplementary benefits. The brief suggests that the basic amount of the allowance—that is the old age allowance—should take into consideration a more realistic view of the expenses of an elderly person who lives alone; including food, shelter, clothing, medicine, personal expenses, and so forth.

It is considered that the basic allowance should cover the essential needs of the recipient more adequately without so much

reliance on supplementary assistance. I believe this matter has been before the hon. Minister on many previous occasions.

For example, an item in the *Toronto Daily Star* of April 15, 1959—almost two years ago—states that:

Up to 60 per cent of persons in Ontario over 65 years of age do not have the income necessary for an adequate standard of living, the Ontario welfare council claimed today in a brief submitted to Ontario Welfare Minister Hon. Mr. Louis Cecile. They suggested an even higher amount than \$75 a month.

I believe, Mr. Chairman, it is time that some real consideration was given to the problem of old-age pensioners. I think there is a tendency for them to be forgotten. They had the great fortune a few years ago that, as a result of a succession of elections, their pensions jumped from \$40 to \$55 a month. There has not been an election since, so now they stay at \$55 a month which was not adequate then and is not adequate now.

I am quite prepared to concede that the Ontario government does not pay the old age pension. It only pays a small proportion of the old age assistance, and does offer to arrange with the municipalities to pay supplementary allowance in some cases, recognizing there is an obvious need there.

I am going to suggest to the hon. Minister that he should take it up with his friends in Ottawa to get some action on this problem and not let it be forgotten.

Let us not forget the many old people who cannot possibly live on \$55 a month and who may or may not get part, or in very, very few cases, all of this \$20 supplement. The supplement is awarded under very tough circumstances, and it is left to the municipalities, which certainly do not have much money, to put up part of the money and administer the plan. The result is that very few pensioners benefit from it.

The supplementary allowance is certainly inadequate. It does not apply to a great many of the people who need it. The brief which was presented almost two years ago by the welfare council suggested up to 60 per cent of the people of 65 and over had an inadequate income.

I do not see, Mr. Chairman, how we can let that situation continue to exist. If it was that way two years ago, it is probably worse now.

I believe that it is time in this country that we paid a basic pension of \$75 a month. There are all the figures in the world to

substantiate that. That, at the very best is a bare minimum and probably less than a bare minimum. But let us first go forward to that amount from the \$55 a month; let us not wait for another couple of elections in quick succession before the old-age pensioners can get some reasonable consideration.

Though I recognize it is only indirectly the responsibility of the hon. Minister, I am suggesting to him through you, sir, that he should take some active step, and give some leadership, to try to get his hon. friends in the federal government to do something about this urgent problem.

Mr. Troy: Mr. Chairman, I notice a very substantial amount under dental services. I hope the hon. Minister is giving great concern to other measures to prevent this large amount of money for dental care.

An hon. member: Such as fluoridation.

Hon. Mr. Cecile: Well, as the hon. member knows, we pay 70 cents per child to the association, and they deal with the paying of it.

Mr. Thomas: Mr. Chairman, on item No. 6, medical services, this year the estimate is \$2,086,000. That is down \$200,000 from last year.

The question I would like to ask the hon. Minister is this: I know that so much is put in for each pensioner every month, but has the department any supervision over the payment out of the fund to the medical profession? How is that handled?

Hon. Mr. Cecile: We pay \$1.25 for each. They handle it entirely themselves.

Mr. Thomas: They handle it themselves. Does the hon. Minister know if they have a surplus at the end of the year or not? Do they share it amongst themselves?

Hon. Mr. Cecile: We have statements, yes. But then if they have a surplus that is so much the better for the doctors. Instead of getting 70 per cent they might get up to 80 per cent of their fees.

Mr. Thomas: There may be more in the fund than they need.

Hon. Mr. Cecile: I would doubt that very much. According to the statement they balance pretty well.

Mr. Thomas: How does the hon. Minister know?

Hon. Mr. Cecile: We get a statement.

Mr. Thompson: Mr. Chairman, as I understand it—and this is something I did not know before—whether it is under welfare or education, there is an arrangement whereby young people whose parents are on welfare can have some kind of a tuition fee for going to university. Am I correct in this?

Hon. Mr. Cecile: I do not think the hon. member would find that here. He might find that under education.

Mr. Thompson: No, I understand that this is under the general assistance section, sir.

Hon. Mr. Cecile: Oh, the hon. member might be thinking of rehabilitation.

Mr. Thompson: No, sir, I am thinking of the young people whose parents are on welfare. It applies to children whose parents are on welfare; the children can be helped to go through university.

Hon. Mr. Cecile: I do not know of any such programme.

Mr. Thompson: Might I suggest that this should be given some consideration? I would like to state, just for consideration, that some positive aspects be given to this welfare programme, because I am sure that the recipients of welfare do not want to be just recipients. I would like to suggest, for example, in the case of immigrants who are receiving welfare, that the hon. Minister should seriously consider that they be required to attend language classes while on welfare.

I would like to see much closer co-operation. I know this is developing between The

Department of Public Welfare, the national employment service, and The Department of Education for retraining the people.

I think there is nothing more deadly and stultifying for persons than to be constantly on welfare and not be given the motivation to retrain themselves, or for the children to have the opportunity of going to university or school.

Votes 1807 and 1808 agreed to.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks leave to sit again.

Report agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, as I intimated this afternoon, there is certain work on the order paper—private bills, second readings—unless some hon. member wants anything held over, House in committee on government bills and Throne debate tomorrow morning.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.50 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, February 3, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 3, 1961

10.30 O'CLOCK A.M.

THE MUNICIPAL ACT

And the House having met.

Prayers.

Mr. Speaker: We are always glad to see visitors to the Legislature, and today we welcome, as guests, students from the following schools: in the west gallery, Danforth Gardens public school, Scarborough; and in the east gallery, George L. Armstrong public school, Hamilton.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I have been advised that the funeral services for the late hon. Dr. Dunlop will be held in St. Paul's Anglican Church, Bloor Street, at 2.30 on Monday afternoon.

I would therefore move, seconded by hon. J. N. Allan, that when this House adjourns the present sittings, it do stand adjourned until 4 p.m. on Monday next to accommodate hon. members wishing to attend the funeral of the late Dr. Dunlop, the hon. member for Eglinton.

Motion agreed to.

Mr. T. D. Thomas (Oshawa): Would the hon. Prime Minister tell us if there is likely to be a night session on Monday evening?

Hon. Mr. Frost: No, I do not think so.

Mr. Speaker: Introduction of bills.

THE LORD'S DAY (ONTARIO) ACT

Mr. A. E. Thompson moves first reading of bill intituled, "An Act to amend The Lord's Day (Ontario) Act."

Motion agreed to; first reading of the bill.

Mr. J. Trotter moves first reading of bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the bill.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, I should like to make reference to a matter here which I am quite sure will give all of the hon. members of this House great pleasure. I do so in my capacity as leader of the government and I know, supported by the hon. leader of the Opposition (Mr. Wintermeyer) and, I am sure, supported by the hon. member for Oshawa, and other hon. members here.

I do this also as an honorary member of the press gallery. I do not think, sir, that these people recognize the fact that I am a very well-known journalist and reporter myself. However, I mention the point, sir, that I am an honorary member, something I value very greatly.

I am very glad to be associated in that capacity with this great organization, in this House, which has been associated with the political lifetimes of us all during our period in public life, an association which does the great and indispensable job of disseminating the work of this Parliament, this Legislature, throughout the province. That, sir, is something indispensably associated with our democratic ways.

It is a very long time ago now since someone in the British House of Commons—as I try to reconstruct it in memory, it might have been Edmund Burke or someone associated with him—who said that there were the lords spiritual, the lords temporal, the Commons, but "yonder sits the fourth estate, more important than them all."

It is a pleasure to pay tribute to the fourth estate in this Parliament; and I use that not provocatively but advisedly because I say to the hon. members of this House that this is a Parliament whose authority stems from the Parliament at Westminster.

I am glad to assert, as I have on other occasions, the fact that the authority of this

House does not stem from the federal Parliament; our rights are equal with the federal government, that is the federal Parliament, in status. We are, to use that long line of cases, as ample in our powers and our jurisdiction, within the area which the Imperial Parliament gave to us to legislate in, as is the federal Parliament. I do not use that provocatively at all.

On the other hand, I do say and I do think that it is proper to assert the position of provincial governments in this great country of ours. I may say that one of the things contributing to the dignity and strength of government in Ontario since Confederation is the fact that we have had developed here a press gallery such as we have, and we are glad to pay tribute to them.

The press gallery, of course, is increasing in prestige and in tradition; great advances have been made over the time, I should say in very recent times, under the administration of the immediate past president, Mr. Carmen, and his executive. It is plain that the facilities and everything connected with the press gallery increased.

The press gallery has a new president, whom we would like to acknowledge today, in the person of Mr. Roy Greenaway. For over 30 years he has been connected with this House.

Mr. Greenaway came here in the days of the premiership of Howard Ferguson and he has served during the administrations of Mr. Henry, Mr. Hepburn, Mr. Conant, Mr. Nixon, Mr. Drew, Mr. Kennedy and during the present administration. That is a great section of the history of this province since it attained its present status with the passage of The British North America Act in 1867.

I am happy indeed, on behalf of all hon. members and on behalf of myself, to pay tribute to Mr. Greenaway as a fine gentleman, a newspaper man who represents the best traditions of that great profession, and a man who has always been fair and kindly in his assessments of things.

This is a year in which he is president of the press gallery and in which he has attained the maturity which may entitle him to be—if he wanted to so assume it—an elder statesman in the press gallery.

In the Speaker's gallery we are pleased to welcome Mr. Greenaway's wife, a very lovely, dignified lady; and, in paying tribute to Roy, we pay tribute to her. And we all acknowledge that, after all, the women have the majority of the say.

Associated with Mr. Greenaway, and associ-

ated with this occasion, I should like to refer also to one who has observed 25 years in the gallery—Mr. Jack Pethick of the *London Free Press*. I am very glad indeed to pay tribute to him.

May I say to Jack that he is a very familiar figure, a great reporter and, like Roy Greenaway, upholding the best traditions of the press and reporting and giving, in the course of his professional activities and duties, a picture of the Ontario government over that quarter-century to the people of the London district. I want to pay tribute to Jack and his family at this time.

I propose to present to both these gentlemen a little mark of our appreciation on this occasion. But, before so doing, and before asking the hon. leader of the Opposition to join with me in making these presentations on the floor of the House—I know that will be very pleasing to both Roy and Jack who feel quite at home down here on the floor of the House—I ask the hon. leader of the Opposition and the hon. member for Oshawa to make some reference to the occasion, and any others who would care to join us.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, this is a very happy occasion. Yesterday we had occasion to speak informally about a very sad occasion; today quite the reverse. I think that is an illustration of human nature and life.

Mr. Speaker, I am delighted to join with the hon. Prime Minister on this occasion. I agree wholeheartedly with him that, as Edmund Burke said, it is the fourth estate, it is our free press that does explain to people generally the significance and the workings of Parliament. I think we in this Legislature, as the hon. Prime Minister said, know of the contribution which has been made by the press to the workings of this Legislature—a very important Legislature, and a Legislature, Mr. Speaker, that I hope will become increasingly important as time goes by.

I am not in agreement with those who sometimes associate, with certain members of the Liberal party, the concept of centralism. I believe that the individual Legislatures are in many respects more important than our central Parliament.

We here deal with human problems; we deal with the property and civil rights of people; and I think it is important that we develop in the public mind an appreciation of the authority, the jurisdiction, and the intimacy of the workings of this Legislature with the people of the province. No group

can serve that purpose better than our working press; and no group will do a better job than the immediate reporter.

Mr. Speaker, like the hon. Prime Minister, I think the two gentlemen we are privileged to honour this morning are ideal examples of real press men, of real reporters. Both of these men have devoted all their lives to this work.

Mr. Greenaway was born in Toronto, and educated in Toronto—I believe he completed his education at Victoria College—and then wanted to become a schoolteacher. During the course of his first lecture he somehow determined that that was not his calling and moved immediately to the nearest newspaper, which happened to be the *Toronto Daily Star*, and asked for employment.

The employer tried to persuade him, I understand, to the contrary, and suggested that the easy life of schoolteaching was not to be compared with the activities of newspaper reporting.

But Roy would have none of it. He has worked for that newspaper continuously since that time; a long period of time, Mr. Speaker, a period of time in which he has served the people of Ontario in many respects—but I say we all know that Roy's real interest is here in this Legislature.

He has distinguished himself in other respects. He is an excellent artist. I believe the hon. Prime Minister was one of his first clients, and it is my understanding that his first commercial picture was purchased by the hon. Prime Minister. Then it found its way, I understand, into the Speaker's apartment and now the quarters of the hon. Prime Minister.

Now, just how that circuitous route took place, I am not sure, but I certainly agree wholeheartedly with the hon. Prime Minister's keen appreciation of art.

And, Mr. Speaker, I would say, as the hon. Prime Minister has, that we are honoured to have Mrs. Greenaway with us. One other thing I would add, and that is that it is my understanding that Roy's father, who is 94 years of age, is still alive, and I am sure on this occasion he is very proud of a very distinguished son.

Mr. Speaker, Jack Pethick comes from western Ontario, my own home bailiwick. Hon. members will pardon me if I tell them that I have a particular fondness for Jack because of his home territory, and because of the innumerable occasions on which I have had the opportunity to travel by train from Toronto to western Ontario Friday afternoons. We take the same train as a rule.

The enjoyment of his company has been extraordinary and, Mr. Speaker, I know that Jack's interest in newspaper work and interest in this Legislature is genuine.

I agree with the hon. Prime Minister when he says that these two have upheld the highest traditions in reporting and newspaper work as such. They have done a great service for us. We are dependent in large measure for their accurateness, their fairness and their enthusiasm. I think these two men are illustrative of the calibre of newspaper men that we have in the press gallery at the present time.

I have only one observation to make about Jack. It is my understanding that the only worry he has is that his only son is determined to follow in his father's footsteps. Now I would say that if his son proved to be as great a newspaperman as his father, then I think they are very worthy steps to follow.

Mr. Speaker, it is an honour, it is a pleasure, and it is a genuine joy to join with the hon. Prime Minister on this occasion, and to do honour to these men whom we all know as friends. I think I only bespeak the opportunity that all hon. members would like to have to pay our respects to them.

Mr. Thomas: Mr. Speaker, I am privileged this morning to join the hon. Prime Minister and the hon. leader of the Opposition in extending our best wishes on behalf of our group to Roy Greenaway and Jack Pethick.

Roy Greenaway, of course, is well known to every hon. member of the Legislature—quiet, unassuming but very able and very competent. And we wish him well, and our best wishes go to him.

For Jack Pethick, I am sure every hon. member in this assembly has enjoyed from time to time Jack relating some of the incidents that have happened in this Legislature, sometimes very informative and sometimes very humorous.

I hope the day will come, Mr. Speaker, when they will both join together, Roy and Jack, and write a book on their experiences in this Legislature. I am quite sure it will be very humorous and very entertaining. I suggest to them that the book should be called "The Passing Scene" because there have been great changes during their term of office in this Legislature.

Our best wishes go to Jack Pethick and Roy Greenaway, Mr. Speaker, we wish them well in the future.

Mr. R. J. Boyer (Muskoka): Mr. Speaker, among the membership of this House, I

believe I am the only one who is a practising newspaperman. Therefore, I would like not only to take this opportunity to join in the tributes which have been paid to the press gallery and the distinguished members referred to, but also to thank the hon. Prime Minister, the hon. leader of the Opposition and the hon. member for Oshawa for the remarks which have been made with respect to the press generally and its importance in our province and in our system of democratic government.

I belong, of course, to that division of the press of Ontario which is represented by the town weekly newspapers, which is somewhat different in its functions from the work of the daily newspapers and those who are represented in the press gallery.

It has been pointed out this morning that there is a distinction between the Parliament at Ottawa and the Parliaments of the provinces. While the distinction between the daily and weekly newspapers is not so broad, I would point out that here, too, there is a difference in the responsibilities and the functions of each of these divisions of the press, and that the town newspapers have, perhaps, more intimate connection with the people whom they serve.

But, at this time, may I join in congratulating Mr. Greenaway upon his election as president of the press gallery. I would say that for one who is well known as an artist, it was with some regret that I noticed—and I think I would be joined in this by all hon. members of the House and by the editorial staff of the *Toronto Daily Star*—that the picture of Mr. Greenaway which appeared in that paper the other day, hardly did him justice. He is a much better-looking man than the picture showed him to be.

And also, to my very good friend, Jack Pethick, I pay a salute this morning and wish him the very best in the years to come.

Hon. Mr. Frost: Mr. Speaker, to complete this matter, may I ask the hon. leader of the Opposition if he would cross the floor of the House. I want to say that there is nothing sinister or significant about it from a political standpoint.

Now I am going to ask the past-president of the press gallery, Mr. Carmen, of the *Toronto Telegram*, who has had a very great deal to do with the development and expansion of the press gallery, to see that Mr. Pethick and Mr. Greenaway approach the floor by the proper steps.

Mr. Speaker, the hon. leader of the Opposition and myself, representing the hon.

members here, have a great deal of pleasure in presenting this scroll to you, Roy, as president of the Ontario legislative press gallery for the year 1961 and it reads:

In recognition of his outstanding services as a newspaper man who has reported the political life of this province through 8 administrations.

And to Jack Pethick, the one and only, of the *London Free Press*, in recognition of his twenty-fifth anniversary as a member of the Ontario legislative press gallery.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the report of the hon. Minister of Lands and Forests (Mr. Spooner) for the province of Ontario for the fiscal year ending March 31, 1960.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day there is a matter which I think was referred to me originally by the hon. member for Brant (Mr. Nixon) to which I should like to make reference as it affects all the hon. members here personally to varying degrees.

A few days ago an item appeared in the newspapers concerning a problem which had arisen for several hon. members of the House of Commons in regard to their members' retirement allowance payment being deductible for income tax purposes. Several hon. members of the House have asked me what the situation is in regard to pension plans set up for members of this Legislature.

I have been advised as follows by the provincial auditor: The plan for the members of this House has been accepted for registration for the purposes of The Income Tax Act effective April 1, 1960. The practical effects are that each member of the House may claim in any year:

1. Current contributions up to \$1,500, and
2. Prior service contributions up to \$1,500.

This means a total of \$3,000 per year, provided that the amount is distributed \$1,500 to prior services contributions and \$1,500 to current contributions.

I want to make it plain that this is not a special provision for the hon. members of this House. This is the provision which applies to all of the people of Canada.

The point is that our plan was registered with The Income Tax Department on April 1, 1960. I think that difficulty has arisen in the decisions which involved appeals by

hon. Mr. Marler now a member of the legislative council in Quebec, and hon. Roland Michener, Speaker of the House of Commons, owing to the fact that, I think, the federal plan has not been registered.

In any event, a favourable verdict of the appeal board in the case for both hon. Mr. Marler and hon. Mr. Michener might mean that that very verdict would be a disability of the federal Parliament.

I am assured by the provincial auditor that this situation does not apply here because of the registration.

As hon. members know, the pension payments for private members are based on a salary and indemnity of \$5,000 per year. As the contribution to the members' pension plan is 6 per cent of salary and indemnity, the maximum that any member would pay for current contributions is \$300 per year.

The private member could in addition pay a prior services contribution totalling \$1,500, which would make his total premium payment, in any year, \$1,800. That is treated the same as for any other Canadian citizen as being given relief in connection with income tax.

As for a Minister of the Crown at the head of a department, his contributions are based on his \$12,000 salary as a Minister plus \$5,000 indemnity as a member.

This also would apply to those who are receiving special amounts, such as the leader of the Opposition and others. The 6 per cent contribution on the \$17,000 total gives them a maximum of \$1,020 per year which would be paid by a Minister as his contribution to the pension fund for salary and indemnity.

As the hon. members are aware, the maximum that can be approved under the federal income tax regulations for persons contributing to a registered pension plan is 10 per cent of their earnings or \$1,500 a year.

As many of the hon. private members of this House, apart from their duties in the Legislature, have outside earnings and income, they may be interested in knowing whether they can obtain an allowance on their income tax assessment for pension plans outside of the members' plan.

I am advised that a taxpayer who is participating in a registered pension plan, such as the plan in this House, may deduct from his taxable income both payments into his registered pension plan and also into a registered retirement savings plan up to a combined total of 10 per cent of earned income, to a maximum of \$1,500.

It is very apparent that that is of interest to hon. members of this House who on their indemnities would pay \$300. It would mean that there would be \$1,200 which might be applied to outside sources.

I have discussed this matter with the provincial auditor. I sincerely trust that no hon. member here will ask me any questions about this matter. I really appear to be better informed in making this statement than I actually am, but the provincial auditor told me that he would be very glad to personally advise any hon. member of the Legislature, subject to this, that such advice must be taken as friendly advice and not in any way as professional advice. But to be helpful, he would be very glad to discuss the personal problems of any hon. member with him. He thought that he could arrange with the income tax authorities for the hon. member to discuss it.

I think that clears a matter which a number of hon. member have raised in this House.

Mr. J. Chapple (Fort William): May I ask the hon. Prime Minister a question on that?

Hon. Mr. Frost: Well, without prejudice.

Mr. Chapple: This is without prejudice, of course. If a member has a pension in some other company or some other source, could it be transferred from that source to the government pension setup?

Hon. Mr. Frost: I do not know if I can answer that. I think that it would depend on the circumstances.

Mr. Chapple: There have not been any transfers—the hon. Prime Minister has no knowledge of that?

Hon. Mr. Frost: I do not think there is any portability as regards the pension here, which is a pension devised in this House and in other Houses dependent upon membership in the House. I would doubt myself that there could be such a thing as portability in it.

Mr. Chapple: The hon. Prime Minister would not be against such a thing being devised or implemented possibly in the future?

Hon. Mr. Frost: I am not against any reform. I am a reformer in the light of 1961.

Now, Mr. Speaker, concerning the orders of the day, I had contemplated this morning, as I intimated yesterday, dealing with some of the items on the order paper. However, since Monday is obviously going to be

a short session, I think we might reserve these items until Monday and proceed at this time with the Throne debate order.

The hon. Prime Minister tabled answers to questions as follows:

1. *Mr. G. T. Gordon (Brantford)*—Inquiry of the Ministry, concerning The Department of Highways' publication *The Road*:

(1) How many copies of the October, 1960, issue were printed?

(2) What was the total cost of the preparation and printing?

(3) How much was paid to each of the authors and to the artists?

(4) To whom was the magazine distributed?

Answer by the hon. Minister of Highways (Mr. Cass):

(1) 50,000.

(2) Agreement with Canada Lithographing Company Limited calls for a lump sum payment of \$30,000 to cover all copy, art work, preparation and printing.

(3) Answered by No. 2.

(4) General coverage of members of the Ontario Legislature, newspapers, trade magazines, radio and television stations, chambers of commerce, municipal representatives, representatives of professional and trade associations, libraries, schools, colleges, universities, finance, engineering, law, public relations. Limited coverage of similar representative persons or organizations in other provinces of Canada and to information outlets and interested parties in the United States.

2. *Mr. L. Troy (Nipissing)*—Inquiry of the Ministry: 1. What is the annual salary of the (a) chairman; (b) vice-chairman; and (c) each of the commissioners of the Ontario northland transportation commission? 2. How much did each of the above persons receive in perquisites and emoluments in each of the past 3 years?

Answer by the hon. Minister of Planning and Development (Mr. Nickle):

(1) (a) chairman, \$9,000; (b) vice-chairman, \$2,500; (c) each commissioner (3), \$2,000.

(2) Perquisites and emoluments—Nil.

3. *Mr. E. Sopha (Sudbury)*—Inquiry of the Ministry: (1) Has the Ontario water resources commission entered into a contract for the construction of a sewage system and ancillary works in the town of Chelmsford?

(2) Was this work advertised for tender? (3) (a) What were the names of the firms or persons who tendered, if any; and (b) at what prices did they tender? (4) To whom was the contract awarded? (5) What was the contract price?

Answer by the hon. Minister of Municipal Affairs (Mr. Warrender):

(1) Yes.

(2) Yes.

(3) (a) Alcan-Colony Company, 1 North-western Avenue, Toronto 15; (b) \$284,966.50.

(4) Pearce Construction Company, 46 King Street West, Hagersville.

(5) \$194,765.00.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. A. F. Lawrence (St. George): Mr. Speaker, before I continue with the remarks which I was making Tuesday evening before I was rudely interrupted by the passage of time, I would like to say a few things about the late hon. member for the riding of Eglinton.

Being a comparatively new member of this House, I did not have the privilege of knowing Dr. Dunlop as long as perhaps some of the other hon. members, but my riding adjoins Eglinton riding, and in the time that I have been in this House I have found Dr. Dunlop always to be a very understanding, a very interested, gentleman of the old school. I feel he is going to be sadly missed in this House and sadly missed by others.

Many of his riding problems were my riding problems; his church was my church, and although his death was not unexpected it comes as a heartrending wrench for anybody who knew him. I know I speak for the other hon. members of the House when I say that our thoughts and our hearts are with Mrs. Dunlop, this weekend, that ever happy and ever jovial wife of the late hon. Minister.

The other evening, Mr. Speaker, I was attempting to give to the House and to you, sir, some of my opinions concerning the future of municipal government in this area.

I gave as my opinion that I did not want to be counted among those who are opposed to amalgamation as such, or those who are for amalgamation as such and, as well, I did not want to be counted among those who are all for continuing the Metro form of government in its present state. Because I have

made a few generalities in this regard, I would like to continue with those remarks and give a few of the details and a few of the reasons for my making those statements.

First of all, what have I against Metro at the moment? One of the reasons why I feel the Metro form of government should not be continued in its present state is the lack of a Metro concept or a lack, among those who have to administer this government, of a Toronto-wide or an area-wide feeling.

Secondly, I said, the other night, that I thought the Metro form of government at the moment is bringing about a great deal of duplication of effort which can only result in waste and inefficiency. And, since my remarks on Tuesday night, I picked up the *Toronto Globe and Mail* on Wednesday morning and read of the resignation of Robert Burton, the traffic engineering director for the city of Toronto.

Mr. Burton, in his remarks concerning his resignation, perhaps used a little more discreet language than I use when I speak about this problem. He said he was resigning because of chaos and confusion in his section of municipal government due to an overlapping of authority.

I congratulate Mr. Burton on his language, because that is the very point that I am trying to get across, and I think this is an example of what is going on in the Metro form of government today. Mr. Burton calls it overlapping; I call it duplication of services; but it is the same thing. It is a waste of effort, and a waste of time, and a waste of the taxpayers' money.

One item which I did not bring up in my argument against the Metro form of government the other night is the great amount of time required of those who sit in both Metro and city council.

As you know, sir, the senior aldermen for each of the wards in the city of Toronto are not only aldermen for the city of Toronto, they are representatives on the council of the metropolitan government for those wards. I know many of these people; a very close friend of mine is an alderman here, for one of the central Toronto wards, and he attempts to carry on a law practice.

Mr. Speaker, the time and effort required of these people—these conscientious and able people who are attempting to do a good job in two forms of government—is almost unbelievable. How can anybody carry on a family life, or any other type of life, as well as trying to do a private job of their own? It is well-nigh impossible; and the proof of the pudding, Mr. Speaker, is the fact that the

electorate of the city of Toronto recognized this in the last municipal elections here, in that, with one exception, no member of the city of Toronto council, who was also last year a member of the Metro council, was returned to Metro council.

Every other member of the Metro council from the city of Toronto last year was swept out of Metro office, with one exception.

The reason for this is apparent. They were obviously too busy with their Metro duties to pay attention to the normal duties of an alderman in the city of Toronto.

I do not want my remarks to be taken as disparaging in any way of their ability or their effort last year, because I feel that here, in the city especially, we are blessed at the moment with a very conscientious and a very able city council. But the job is too big and the people in the city of Toronto, in any event, recognize that.

The job is too big—the position of being a city of Toronto alderman or a city of Toronto controller, as well as being on Metro council representing the interests of Metro which, in some cases, can be in conflict with the interests of the corporation of the city of Toronto. Undoubtedly there must be a conflict of interest in some instances.

One other reason why I feel we should come to the end of the Metro form of government, as it now exists, is the great disparity in voting strength on the Metro council at the moment.

We have extremes, Mr. Speaker, here in the Metro area at the moment. Swansea, with 9,000 voters, has a single representative, a single voice on Metro council. The township of North York with 250,000 electors has exactly the same vote, the same voice, the same strength on Metro council. This is obviously ridiculous.

We are not having representation by population in Metro council at the moment.

And that is a need that has been recognized, I believe, by Mr. Gardiner himself, the great proponent of Metro council.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. member would allow a question?

Mr. Lawrence: Let me continue my argument and let me continue developing a theme, if I may, and perhaps I can answer the questions of the hon. members before he shoots them at me. But, at the end, I would be happy to do so.

I am going to present a solution. I think it is a solution, in any event. I have tried

to impress upon certain hon. members of the Opposition, as well as certain editorial writers in the city of Toronto, that they should not eternally complain unless they also give constructive alternatives.

I feel that is a very great disparity, the disparity in voting strength at the Metro level.

I also feel that Metro, at the moment, is bogged down. They have not proceeded in the new fields, in the last two years, at all. For the life of me, I cannot understand why the fire department has not been centralized under Metro. One reason apparently is that the suburbs are afraid of the high cost of the city of Toronto's fire department at the moment.

Why not one Hydro commission, Mr. Speaker? Why, at the moment, do we have this disparity in rates, this multiplication of commissions? Would it not be a wise thing for a centralized municipal government to take over the Hydro commission?

Why do we have the great disparity in garbage and trash collection? This is a very real problem to householders. I cannot see any reason why this should be left at the local level at the moment.

The same applies to water rates. We have just had a squabble in the Metro council concerning water rates. If we are going to believe in a Metro concept, so-called, or a centralized municipal government concept here, why should one person up in the far corner of the township of Scarborough pay any different rates for his water than the people in the city of Toronto or in a Lakeshore municipality? There is absolutely no sense to it.

And, of course, the next big thing is the tax rate. If our municipal problems are one over the whole area, why should there be any disparity at all in the tax rate between the various municipalities and the various home owners?

This applies as well to assessment. There is no uniform assessment, at the moment, here in the Metro area. There should be. I see a puzzled look come over the face of the hon. member for York Centre.

Mr. Singer: There is only one assessment.

Mr. Lawrence: There is only one assessment, but my point at the moment is that that one assessment branch is not doing the job it should. It is not even doing the job here in the city of Toronto, and I have a personal example of this.

Mr. Singer: Oh, there are lots of examples.

Mr. Lawrence: A few years ago, Mr. Speaker, I owned a small duplex here in Toronto—a duplex that involved a duplication of the services of the municipality.

There were two family units in this duplex. Twice as much water was being used, presumably twice as much sewage service was being used in a two-unit home. Twice as much garbage was put out. The street, the sidewalks, the curbs, were being used by twice as many people.

When I was elected a member of this Legislature I wanted to move into a more central position in my own riding, so I bought another house, a single family dwelling.

I was able to sell the duplex for approximately the same price that I paid for the home I now have. The market value was almost the same for the house I sold—for which there were twice as many municipal services being used by the people in it—than the home I now own. And yet the taxes that I had to pay on that house that I sold were approximately one-third of the taxes that I am now paying for the house I now own.

This is ridiculous. I am sure that this is not an isolated example; I do not want to use other names to embarrass other people, I am using my own name and using my own personal experience.

From the information I receive, it is obvious that there is not a uniform assessment—not only here in the city of Toronto—there is not a uniform assessment over the whole metropolitan area. And this is another item in which, in my mind, Metro at the moment has failed. And perhaps if there was a stronger, more powerful central government, this is one of the items that could be rectified at the moment.

I cannot see any reason, Mr. Speaker, why there should be differences in library boards and also in library facilities over this area. I cannot see why there should even be differences in the educational system over this area.

I certainly feel that the small number of Metro roads at the moment should be enlarged and extended so that there is not just a limit of major arterial roads being looked after and being called Metro roads. I feel a more powerful, more central Greater Toronto government here should have a much greater jurisdiction over many more roads than the present Metro roads.

If we have one TTC, one transportation organization for the whole area, I fail to see why there should be this discrepancy in other municipal services.

Now, having said that, I do not want to appear as a proponent of amalgamation, that is, a proponent of only one central government. I am against amalgamation, because I feel that local autonomy in relation to those matters which should be of local interest and concern, and the close connection between municipal representatives and the people for whom they are elected, is one of the cornerstones of our whole municipal system.

I certainly feel that there are a great number of fields which should remain very, very much localized. Some of these items I feel are local zoning, small parks, and local planning boards as long as they conform to the jurisdiction of the master plan for the whole area.

One other reason I am against amalgamation is solely and simply political. And political considerations have to enter into this as they do in a great many other things.

First of all, of course, is the so-called opposition of many suburban politicians to amalgamation as such. I do not know whether some people fear that they are going to lose their position or not, but the element of the big frog in the small puddle could enter into it, and that can be a factor in some of the opposition at the moment to amalgamation.

If anybody should be fearful of amalgamation, in my mind, it should not be the suburbs, it should be the city of Toronto and the people in the city of Toronto. After all, the capital expenditures have been made here in the city of Toronto.

In the main, the city of Toronto has its water system, its sewage disposal plants, its roads, its curbs, its sidewalks, its street lighting. If costs are going to go up, they are going to go up in the areas where they do not have these services.

But I feel that the thinking of these people, the taxpayers of the city of Toronto, at the moment, is that they would welcome amalgamation because on the whole the people of the city of Toronto take a look at this problem as an area-wide problem. I think that people in the city of Toronto are ready for amalgamation, or at least ready for a stronger central government.

Why this opposition in the suburbs I do not know. I have many friends, and even many relatives in the suburbs. They are not people who are actively concerned or connected with politics. They have no axe to grind.

They are, if I may use the overworked phrase, the grass roots. They are the people

who pay the taxes and they very rarely see their municipal representatives or their provincial representatives or their federal representatives. I have yet to hear any complaint from any of these people, or any fear of amalgamation.

The fear of amalgamation appears to come from the suburban politicians and suburban politicians only.

If anyone is going to have higher costs or higher taxes because of a more centralized government or because of amalgamation, it certainly must be the city of Toronto with its higher assessment rate. It is going to be the people, the taxpayers in the main of the city of Toronto, who are going to pay higher taxes. This is undoubted. Obviously, some of the suburbs' tax rates are going to go up as well. But I feel that this is a problem that has to be looked at area-wide and not one to be broken down into local municipalities.

Those are my reasons. This is why I am against both amalgamation and also against the Metro form of government as it now exists. As I say, it is nice to come along with these sweeping generalizations, but what are the alternatives?

Mr. Gardiner has come along with a proposal and he has called it a multiple voting system or a multiple voting proposal. I mentioned the other night that I felt that this proposal was another stopgap, another transitional step. I have heard nothing since that time to make me change my mind. I feel it is merely another stopgap along the road to a stronger central form of government here in Toronto.

The reason why it is a stopgap is this: It would exaggerate and prolong the existing parochial feeling among the municipal politicians.

As I understand the proposition, Mr. Gardiner proposes to give certain representatives of certain suburban areas a greater voting strength than they now have in order to bring this disparity in the voting strength up to normal.

That, in my mind, is merely prolonging the agony. Again, everything is being related to the local municipal boundary. It is again exaggerating the feeling that somebody belongs to the town of Leaside or the village of Forest Hill. The people are not being awakened to the realization that these problems which should come to Metro should be Metro-wide or area-wide. We would be giving more political power to the hands of fewer people on the Metro council if we went along with Mr. Gardiner's proposal.

I feel there is a need for a central government divorced from the present local municipalities. This can be the only other logical alternative. It must be divorced from the local municipalities.

By that I mean that the whole of the Metro area at the moment should be looked upon as a single area with single problems, and a ward system should be devised which would not necessarily bear any relationship to the present local municipal boundaries.

I envisage that an area such as this could be broken up into about 19 or 21 wards.

I am just taking that figure out of the air because I think that would be a fairly workable council in relation to size. Also, it would mean that no single alderman for the central government who represented that ward would have more than 100,000 constituents. It would be much less than that.

I certainly feel that it would be almost impossible for any representative at any time to attempt to represent in any legislative body any more than 100,000 constituents. Some of us are having a hard time with a much lesser amount than that.

If we could break the Metro area at the moment up into a number of wards, such as 19 or 21—I use an odd number—that, in my mind, would cut down the numbers that a representative on the central government would have to represent, the number of voters, and as well it would give us a workable council.

These ward boundaries, in my mind, should be drawn with no relation whatsoever, paying no attention whatsoever, to the present boundaries of the local municipality. And every two years there should be an election to this central government of one alderman—or representative, councilman, call him what you like—to this Greater Toronto or Metro central government, whatever we want to call it.

However, this still leaves the local municipality.

I also propose that the local municipalities, with their local interests, should as well have elections every two years. But I see no need for electing two aldermen, for instance, for each ward here in the city of Toronto. The duties, the jurisdiction and the authority of the local municipalities would be cut down to such an extent that I think they would need a lesser number of people representing them on the local board, the local municipality. Their authority would be cut down, so their numbers should be cut down.

The advantages of this system, of course,

Mr. Speaker, are that on the election of the central government council they could then get together and elect a chairman from among their own number. No longer would there be a super appointed Big Daddy. He has to be representative of the people as a whole, he has to be accountable to somebody, he has to be accountable to the electorate at large, and he should have to run for election as a normal member in the municipal election.

How about the question of a Metro-wide chairman? Mr. Speaker, I do not know what your views are in regard to political parties in the municipal field. At times I have stated mine. In any event if there is to be the Metro-wide or area-wide election of the chairman of the council of Metropolitan Toronto, as sure as anything we are going to have the emergence of political parties in the municipal field.

It would be physically impossible, if not financially impossible, for a man to run as the chairman of the area-wide government over the whole area. We ourselves in this House know today the cost of mailing, the cost of campaigning, the cost of TV, the cost of newspaper ads, the cost of pamphlets.

Can hon. members imagine the staggering financial burden that a candidate would have to shoulder if he was running for the whole area here in Metro Toronto? The geographical limits are so great, Mr. Speaker, that I feel that no other group could take the job on except a political party.

Also, I feel certain that within a few years, if we had this scheme whereby a chairman had to be elected by the whole area, we would have the emergence of political parties here in the Metro area. If we want that, all right. If we do not want it, all right. This is not the time to get into that argument.

But I think it should be recognized that this would be a certain result.

I feel that under my scheme of the ward system, of having representatives of each of these wards elected to the council of the Metro government, that they themselves, the council, can band together and elect one of their members to be the chairman of the council for those two years. And every two years that man would have to go back to his own ward and get re-elected, and that would be a prerequisite of holding office as chairman.

There are faults in it, we can all see arguments against it, but the fault and the arguments against the continued appointment

of an outsider to the office, and the arguments against electing a man on an area-wide basis, are far stronger in my view.

I feel that my system will still retain that measure of local control and local autonomy over local things which, as I said before, has always been the cornerstone of our municipal system here in Ontario. I feel we need that, but we need it in this day and age over local matters only. The local municipalities, stripped of a great deal of their authority, can still continue in the normal way, but as local councils.

We are coming to the time, Mr. Speaker, where due to the retirement—perhaps I had better not use the word “retirement,” anybody who knows Freddy Gardiner will realize that he will never retire—but due to the removal from the municipal scene of Fred Gardiner, a decision has been forced.

I welcome his retirement because of that. He is now forcing a decision to be made by this Legislature or by the Metro council and the municipalities themselves.

It has been said that the Metro council should be the one to make these decisions and then come to the provincial government with those decisions. We can then decide what the answers will be from that date on.

I am not arguing with that position, but I do want to point out one rather ludicrous aspect of this. Perhaps it is applicable, perhaps it is not.

But I feel, by shoving this problem off to the Metro council, to ask them to investigate this problem and come up with an answer to be then transmitted to this House, is perhaps comparable to asking this House to decide to set up a committee or some sort of investigatory body to abolish this House and our own representation. It is the same thing.

I feel that we cannot help but get biased answers out of Metro council in regard to any commission, body or committee that they may set up there. Obviously they are going to be biased because they are deciding their own fate and their own jobs. This is something that I think this House should take into consideration if and when we receive the reports of that committee of Metro council.

I want to emphasize once more, Mr. Speaker, before I sit down, that these views are my own views. They should not be interpreted as views of the party of which I am a member, or the government. They are my own views.

But I do plead, especially with the hon.

members of this House who come from outside the Metropolitan area, to take a very searching look at this whole problem because it is a problem that has never been reached here in Canada before. It is a special problem.

I know some of the rural hon. members are sick and tired of hearing about the problems of Metro Toronto. But the day is not far off when the majority of the population of this province is going to be in this area. This area, if it has not already, will be paying the majority of taxes, not only for Ontario, but also for the whole country.

There is a great future in this area. It is expanding and it is going to continue to expand, and this is going to increase the problems and the population here. So I plead with the hon. members who come from outside the Metro area to get interested in this problem because it is going to affect, and very gravely affect, the whole area.

Mr. P. Hoffman (Timiskaming): Mr. Speaker, may I extend my congratulations to the hon. mover (Mr. Gomme) and the hon. seconder (Mr. Evans) of the motion for the adoption of the speech delivered by His Honour the Lieutenant-Governor of Ontario (Mr. Mackay).

May I also take this opportunity to express my very deep regrets and sympathy to the family and host of friends of the very recently deceased Dr. Dunlop.

I would further like to express my deep sorrow over the circumstances which made it necessary that the recent byelection in which I was chosen to represent the people of Ontario as a supporter of this government. My predecessor, the late A. Robert Herbert, Cobalt, represented Timiskaming from 1951 until the time of his death last year. On 3 successive occasions he was chosen as a representative for Timiskaming. And I may say that he was always faithful in performing his duties.

He was a friend of his constituents regardless of party affiliations, he always gave freely of his time and ability as a member of the Ontario northland railway commission. Of this great public enterprise, I shall have a little to say later on.

Bob Herbert was 46 years of age when he passed away very suddenly. I have expressed my very deep sympathy to his widow and his young children and I am sure that all the hon. members of this House join me in extending to the family of the late Bob Herbert our feeling of deep regret at his untimely passing.

I knew the late George Johnston only by reputation, I believe he served as a member of this House for over 17 years. It says a great deal for the late Mr. Johnston when I point out that in 6 succeeding general elections he was returned each time by an increased majority. Again I join with the hon. members of this House in extending sympathy to the members of Mr. Johnston's family.

We can look back over a few years, and it is easy for us to see that Ontario has been enjoying a period of most remarkable growth and development. This great province is in truth the heartland of Canada.

I wonder how many of us realize we have within our borders one-third of Canada's population? In the last 10 years or thereabouts we enjoyed a population increase of about 1.5 million. We produce more than one-half of the manufactured goods produced in Canada. We pay more than one-half of all the enormous revenue going into the federal treasury. We attract more than 50 per cent of all the immigrants who enter this Dominion.

During the life of this administration there has been a threefold increase in the output of hydro-electric power. Hon. members will see we still have the cheapest electricity of any country in the world notwithstanding the protestations of the hon. members of the Opposition.

Let me say this: political parties do not produce wealth. The best which they can do under our system of free enterprise is to create a healthy economic climate. This climate is one in which our people as individuals, functioning through corporations great and small, can develop our resources, compete with other countries of the world, and generally create a setting in which thrift, intelligence and industry can continue to improve on what is essentially a good way of life.

Let me add this: I do not think that this country will ever submit to the stifling hand of socialism in an administration where fear and repression are brought in as substitutes for the exercise of personal and private initiative.

The immense progress which we have enjoyed—and it is still proceeding even though at a less feverish pace—has imposed tremendous burdens on this government, and on the more than 900 municipal governments which function in this great province.

There has been a tremendous demand for new and better highways and for improved municipal roads and streets. Education has

become a subject of vastly increased importance, especially when we view the technical and industrial progress of other nations, for example the United States, Russia, West Germany, and not forgetting the massive population of China.

It has been said before and it is worth repeating that, for several years past, each day has seen the completion of a new school or an impressive addition to an existing school. We now have 11 universities instead of 4, as was the case a few years ago, and university enrolment today stands at about 30,000 of our young men and women.

Our pace has been indeed fast, but may I say that the provision of money and facilities by this government has been one of the major factors in promoting this great development which we see all about us.

One of our greatest deeds of today is complete readjustment of the taxation field. In recent days the federal government brought down estimates which exceed the enormous sum of \$6 billion, a truly staggering load to be faced by a nation of only 18 million people.

I know that the hon. Prime Minister (Mr. Frost) and the hon. Provincial Treasurer (Mr. Allan) are eagerly awaiting some word from federal authorities as to what can be done to adjust the many inequalities relating to tax fields and tax rentals and kindred subjects. It is a strange situation indeed that Ontario should be considered the only "have" province out of 10 provinces of this Dominion.

Alberta is so rich in oil and gas, and not only has it practically no provincial debt, but a few years ago felt able to make a handout of \$25 to each of its residents free, gratis and for nothing.

Socialist Saskatchewan has been able to indulge in all sorts of enterprises, the majority of them failures. It is now proposing to launch a plan of medical care which is something that we of Ontario cannot afford at this time. Of course, the fact that socialist Saskatchewan is carrying on most of these experiments with Ontario's money is something else again.

I, for one—and I am sure every hon. member in this House will agree with me—feel that the hon. Prime Minister deserves our full and complete support in his endeavour to correct the present unequal distribution of Canadian tax dollars.

Far too much of it is going to Ottawa. A considerable part of this tax dollar is going to provinces whose need is far less than ours.

I do not deny for a moment that there are

certain provinces which deserve special consideration, but again I stress that Ontario is the very keystone of the federal arch.

If Ontario is unable to meet those many obligations upon which Ontario's progress depends, then Ontario suffers and all Canada is bound to feel the impact.

The position of the Ontario government is identical with the position of Ontario's municipalities. In spite of Ontario's many financial difficulties, this province is this year paying about \$345 million to municipalities in grants of all kinds. This means that our Treasury is paying to the municipalities about 45 cents out of every dollar of provincial revenue, and there appears to be no way of these grants but to go up.

To put it very simply, this way means that to every dollar raised by municipal taxation the province is adding approximately 50 cents. I point out that when this government took office, municipal grants of all kinds were \$18 million a year. Today, they are about \$345 million.

The total provincial expenditure on education under a former government was less than \$13 million a year. Today, education expenditures exceed \$200 million.

These matters of course are bound to be discussed in detail when the budget is brought down for consideration. I would, however, point out to my hon. friends of the Opposition who are clamouring for more provincial aid to municipalities that this government is providing many times the assistance in this field provided by any former government.

When they are demanding increased aid in this direction or that, I suggest that they give to us a straightforward answer to the question: Where is the money coming from?

For the past 37 years, it has been my privilege to be employed by The Department of Lands and Forests. Two years I spent with the rangers, starting in 1923; 5 years as deputy chief ranger, and finally 30 years as a chief forest ranger in the Temagami forest region district. In this long period I saw very many changes in forest protection, reforestation and allied problems—shall I say a primitive and elementary phase change into the highly mechanized and scientifically managed operations which we in the north see all round us today.

The hon. member for Lanark (Mr. Gomme), in addressing this House, dealt in some detail with developments of The Department of Lands and Forests. He has enjoyed a long and successful connection

with the lumber business and has seen something of woods operation. He also has the good fortune to come from a part of our province where there still remains much of the aggressive fighting spirit coupled with modern progress.

The hon. member referred to the early days of forest protection which was gained mostly by the use of manpower and such elementary equipment as canvas buckets, canoes, axes and shovels, and of course patrols, some of which were made on horseback and which indeed may be an eye-opener to many of us who are in the House today. In those days it was more of a problem to reach the scene of a fire than to extinguish it, and naturally damage often was very great indeed.

As I recall, it was pointed out by the hon. member that today we have over 300 steel lookout towers scattered across the northern landscape. From this comfortable glassed-in cabin a lookout man can frequently see the landscape for 25 miles in all directions, and by the aid of radio or telephone he can transmit directions to the ground crews as to exactly where the fire is located.

Many modern instruments, such as direction finders, radio sets, walkie-talkies, and so forth, are available and used freely in this business of locating incipient fires.

Today we have a very large force of highly trained men who make a career of forestry, forest protection and forest propagation. In the early days, forest ranging tended to be a casual summer employment. Many inexperienced young men with pitchforks from our cities and towns entered the northern wilderness and unhappily, of the inexperienced each year, a few of them failed to return. A wilderness of forest, lake and stream, I scarcely need say, can be a deathtrap for the inexperienced, untrained man.

I well recall, for example, the tragedy which overtook Cochrane in 1910. A fire located about one mile from the town was carried into the town with the result that Cochrane, a town of 3,000 people, was practically wiped out. The losses were most tragic to those immediately concerned, and it was plain that the fire loss ran well over \$1 million.

I might add that in the fire at Matheson, my uncle and my cousin, his son, with his wife and 4 children, perished. For that reason I have always felt very much concerned about the welfare of the northern forests, as well as the people in that area.

I do not claim that it is impossible, but I do think it is highly improbable, that there

will ever be a duplication of either the Cochrane or the Porcupine fires. As I have said, we are well equipped to detect fires in their early stages. Once they are detected, we have adequate means of stamping them out.

Originally, we were provided with wooden towers, the first of which was constructed, as I recall it, in or about 1923 following World War I. We acquired immense quantities of what was known as army cable and many hundreds of miles of this cable was used in installing a telephone system. By modern standards these telephone lines were primitive in the extreme, but they were a great step forward in the matter of forest protection.

As the hon. member for Lanark remarked the other day, today's steel tower is about 100 feet high. The older type of tower was 80 feet, and the ones that are presently erected are a full 100 feet. They have a weatherproof glass cabinet, also a distance finder and a radio for obtaining messages from neighbouring towers.

I suppose the use of lookout towers with telephone and radio presents the prosaic in fire protection and people generally are inclined to look on the air force as the more spectacular weapon of forest protection.

Ontario today has the world's finest air force devoted to the cause of forest protection. I took the trouble to consult the hon. Minister of Lands and Forests (Mr. Spooner) and he tells me that during the present year the area burned by forest fires was less than one-third of the annual average for the past 10 years. In 1960, the area burned over amounted to 31,000 acres, whereas the 10-year annual average exceeds 97,000 acres.

The hon. Minister attributed this fine record to the high mobility and all-around efficiency of the forest protection branch. Today we have more than 50 aircraft, Beavers and Otters. Of course, during the winter these planes are used for duties other than fire protection, namely, law enforcement, the detection of poachers, and also the spectacular mercy flights, the transportation of scalers and timber crews, and so on, to the various parts of the wooded areas.

It has already been mentioned that the Otter is an improved model of the Beaver aircraft. It is a matter of pride, I think, with the people of Ontario when they recall that both types of planes are now very widely used by the United States army.

One modern practice which I have seen developed to a high state of efficiency is the use of aerial water dropping in fighting forest fires. About 50 aircraft are now equipped to

use this method. The Otter carries 160 gallons of water while the Beaver carries 90 gallons.

The process was well illustrated at the Canadian national exhibition last year. For those hon. members who have not seen it, I would like to say that it is something worth seeing. It is an interesting and very practical arrangement for the suppression of forest fires.

The water dropping has two main uses: first, it can extinguish incipient fires and, second, it can dampen down fires which have assumed some magnitude.

We now have 28 air bases scattered across the province. Pilots spend about 5,000 hours of flying time each year. They may be looking for smoke, the signal of a fire, they may be dropping water, or again they may be flying in men and equipment.

I cannot forbear looking back once again to the earlier days of service when we were without planes. We had very little or no mechanical equipment with no fire pumps, without radio and only a few "haywire" telephone lines.

Today, all this is changed. We have every useful type of fire pump with many hundreds of miles of hose along with trucks, bulldozers and all modern weapons to fight fire, and, finally, a highly trained and devoted staff.

Now I would like to say a word about the training which is given to our rangers. I scarcely need add that the Ontario ranger school at Dorset was established by this government. Here is given training in tree identification, scaling, timber cruising, saw-mill operation, tree measurement, wood identification, regeneration survey, forest history, telephone line construction, study of forest insects, tree diseases, camp instruction, stumpage appraisal and forest fire protection.

Generally speaking, forest officers are required to take this course before qualifying for permanent employment. Meals and lodging are provided for the 65 to 70 trainees normally at the school.

A limited number of students come from the pulp and paper and timber operators, who, of course, pay for the training of these employees.

Much can be said for the benefits of this course and training which is, for the most part, carried out under actual, practical field conditions.

Here, too, short-term courses are held for the benefit of department employees as well as for forest industry crews and superintendents who may be called on to serve in the event of a fire outbreak on a woods operation.

It is the usual practice of the department to have in attendance such employees as are responsible for fire suppression in the district in order to check and test new equipment and methods for future use in this highly important work.

The hon. member for Lanark spoke briefly of the replacement of the Doyle rule by the Ontario rule, so I do not need to amplify this subject, another important change which was made under the Progressive-Conservative government. It is sufficient to say that the Ontario rule gives a much more accurate idea of the content of a log than did the Doyle rule where, with small timber, the overrun was sometimes as much as 400 per cent.

For several months each summer during what is called the fire season, groups of boys 16 to 18 years of age are engaged and placed in various forest districts of the province. These groups, consisting of 12 boys to a camp, are rotated and work under actual forest conditions.

They are under the direction and supervision of a thoroughly trained, experienced forest ranger and are established as a self-contained camp unit, usually housed in tents which are provided with floors and walls of dressed lumber and painted. They have benches, tables, single-cot mattresses and, of course, blankets, sheets and pillows.

Separate kitchens or dining tents are set up with these units which are in charge of and manned by the best camp cooks procurable. Here excellent meals are served with plenty of fresh meat, vegetables, fruit, and milk 3 times a day.

In addition to the ability to prepare food, such a cook must have the ability to instruct others how to do so, as well as to show a certain amount of tolerance for the youthful group being fed and housed.

Here we would mention that, while important work is being carried out by the trainees, the amount of work performed is not necessarily the first consideration. Rather, instruction and training in the safety of life and limb are of first importance.

Lectures and discussions are arranged for the group, pointing out citizenship, behaviour, complete co-operation with fellow workers and supervisors, along with lectures on all phases of the department work.

Relaxation is provided in the form of competitive sports, horseshoes, ball games, running, and so on, with hikes, nature study trips, boat trips, industrial operation examination and carefully supervised swimming.

By far the larger number of these boys take well to the plan and to the outdoors. It is noted that while considerable knowledge and knowhow is imparted, a casual visual inspection at the end of the season reveals that physical development in the form of additional weight and healthy colouring has been added as the result of the regular hours, wholesome meals and time spent outdoors.

In conclusion on this subject, I might add that the experience with such groups over the past dozen years reveals that a relatively high percentage of the boys who have been employed in this capacity have proven entirely satisfactory and have gone on to become lawyers, doctors, foresters, engineers. At least one is now in the diplomatic service of this country.

It is indeed a most gratifying experience to hear from these boys in the later years, and to learn of the kindly feeling they show for that training period of their lives, and to learn how well they have succeeded in their chosen fields.

Reforestation today is an important factor in the work of The Department of Lands and Forests. It has already been mentioned that reforest stations are shipping out about 40 million small trees every year. One result is that farm plantings and municipal plantings are now commonplace all across Ontario. In the north we have a different situation. There we must depend in a very large degree on natural regeneration.

Very many factors enter into this subject. Soil conditions are important, the removal of brush, weeds and trees is another important factor. Today we are using sprays to deter the growth of shrubs and weed trees. This practice is still in the experimental stage but has shown considerable promise.

Another happy feature is the increasing use of poplar along with other trees formerly considered worthless. The wallboard industry is becoming increasingly important, and we have a very considerable outlet for these inferior woods.

I would like to add a few words of commendation to the hon. Minister of Lands and Forests for the provision of parks in the Timiskaming riding. Here we have Finlayson park which is located at Temagami; Cape Kigawan park which is located a short distance from Englehart and, just south of the Timiskaming riding boundary, we have one of the most popular parks in the north, that is the Marten river park.

While at first glance it would appear that the area is amply supplied with this type of

service, a closer inspection of existing conditions reveals this is not entirely correct.

As hon. members are no doubt aware, the Finlayson park is located on the shores of beautiful lake Temagami, and adjacent to highway No. 11, some 25 miles north of Marten river.

Both parks are extremely popular during the summer holiday season, consequently are filled to capacity for the most part of the time, resulting in many campers being turned away owing to the inability of these parks to accommodate the many potential campers in the area.

We would respectfully suggest to the hon. Minister that additional camping facilities be constructed on Bay lake, adjacent to the town of Larchwood and on highway No. 11. Here suitable Crown lands are available, also hydro service close by.

Bay lake, as hon. members are aware, is in part of the Montreal river waterway, with the headwaters at Matachewan on the west branch, and Gowganda and Smooth Water lake on the east branch, providing more than 100 miles of ideal water for canoe and boating.

Along this river is the entrance to such beauty spots as Lady Evelyn, Dymond, Lady Sydney, Annima-Nipissing—and a score of other lakes.

Some 35 miles to the south and east, the river empties in lake Timiskaming through the lower notch, a place of beauty in itself which we understand is being considered for an additional hydro generating station.

As I stated before, more than 100 miles of excellent fishing waters lay to the north and west of Larchwood, the shore of the proposed campsite which could be reached with less than one mile of road construction from highway No. 11.

Construction of such a park would accomplish a number of ends in a single operation.

First, it would provide visitors throughout the Dominion of Canada and the United States with a long water service in a most attractive setting in an area where excellent shopping facilities are available within a few miles of the proposed park location.

Second, it would provide an important additional cash trade for merchants and so forth already established in businesses in that area.

Third, it would provide a better distribution of the fishing and hunting pressures on the district as a whole, in order that the presently existing parks may continue

to provide the relaxation and sport so eagerly sought by the large percentage of park visitors.

It is my considered opinion that construction of the proposed park is a project that should be undertaken as early as possible in order that it may provide work for the unemployed. It should be in operation as soon as possible in order that monies expended there will be returned to the province with the minimum delay.

Our work in the fields is greatly assisted by the presence of many trained foresters, university graduates in their profession; except for the clerical staff, I think that a goodly part of any district office staff consists of graduate foresters.

Another beneficial change we have seen take place is the integration of department staff. These now work together as a unit, and, while they are specialists in their respective fields, a general training has been provided giving each individual a basic knowledge of related subjects which enables them to carry out all department work in a satisfactory manner.

Some specialize in wildlife and fish protection, others are skilled in the operation of hatcheries, planting of fish, fry and fingerlings.

However, today we have in our organization a close and many-sided whole devoted to the preservation of forest wealth of whatsoever nature.

It was not always so, but the man and the woman of the organization now have the security of tenure of office. They take pride in their work, it is a lifetime career, and let me stress that we have now many women employed who are just as enthusiastic about their duties as are men.

As mentioned in the speech of His Honour the Lieutenant-Governor, and has so often been stressed by the hon. Prime Minister, our great need is the development of secondary industry, the greatest provider of jobs in this or any other province.

The policy of this government is to foster home manufacture of various products, and the result of this policy is seen in the establishment of new towns such as Red Rock, Marathon and Terrace Bay. No argument is needed to prove that it is much better for us to ship newsprint or pulp to our foreign markets rather than ship out raw pulp sawlogs.

In the matter of highways, I would like to draw to the attention of the hon. Minister of Highways (Mr. Cass) the remarkable improvements that I have witnessed. As I

recall, some 3 hours was required to travel a section of road between Temagami and North Bay, a distance of about 65 miles. Now about one hour is all that is needed to go the same distance.

However, it is not all good. Their building and straightening has in several places left miles of old Ferguson highway abandoned, which has rapidly grown up with weeds and grass and is now almost impassable due to washouts and erosion.

One such section occurs between the south boundary of Strathcona and the southerly boundary of Olive township, a distance of some 12 miles. Here, a beautifully scenic roadway, that for the past 3 decades served man, is rapidly reverting to preconstruction state.

Here we would like to respectfully suggest to the hon. Minister that immediate action be taken to prevent further disintegration of a portion of road that serves several dozen cottage owners on adjoining lakes, these lakes being Jumping Caribou, Dwyer, Ingall, Brophay, Christie and Wilson; not to mention the some 12 or 15 other lakes lying to the west which can be reached from this portion of the abandoned road.

Here is an obviously unhappy situation in that a section of road, constructed at considerable labour and expense, is permitted to become impassible due to lack of maintenance. It is the earnest wish and hope of the cottage owners along this road, and myself, that the hon. Minister will see fit to provide sufficient funds for the maintenance of this section of the road.

The transformation of our roads in recent years is one of the highlights of our development. For example, we can now start at the waterfront in the city of Toronto and follow highway No. 11, a paved road, right through to the Manitoba boundary. This excellent highway, of course, traverses the riding which I have the honour to represent. Then we have the trans-Canada highway, the southern route along the north shore of Lake Superior, undoubtedly to become one of the great tourist highways of North America.

Whether it is a handicap or otherwise, I should not like to say, but we have no county system in the north. In general terms, the province stands in relation to our northern municipalities—that is our cities, towns and townships—in the same relation as the community stands to its constituent municipalities in the south.

It is, of course, inevitable that the government, as a result of this situation, will be under many pressures from the north, which,

in the south, would in part be directed towards the city councils.

I have been looking into some figures, and I find that back in 1943 there was only some \$232,000 spent on King's highways in Timiskaming. Since 1945, however, there has been spent in this riding some \$1 million to \$2 million a year respecting these great highways. During the life of the former government, our road subsidies were only about \$35,000 a year; but last year these subsidies were \$339,000.

Our education grants have increased from \$122,000 a year to about \$1.2 million a year, a tenfold increase.

We have a little increase in population. Like everyone else, we suffer from inflation, but owing to these factors the increase in the aid which we are receiving is nothing short of phenomenal.

I was much impressed with the remarks a few days ago of the hon. Minister of Municipal Affairs (Mr. Warrender). He declared for the maxim of municipal autonomy. In a word, let the municipalities function within their jurisdictions with a maximum amount of freedom and a minimum of interference from any other government.

Here, I think, he was on very sound ground. I think any move to seriously curtail the jurisdiction of our municipal governments would be very badly received. In the main, they run their affairs with skill and economy, and I do not think that our municipal councils should have to function with the provincial government acting as a policeman, continually peering over their shoulders.

The Ontario Northland Railway—I would like to say a word about this road which renders such splendid service in northern Ontario. This is no primitive colonization route. It is a thoroughly modern streamlined first-class railway. It is endeavouring now, as always, to keep in mind a well-rounded development for northern Ontario.

Today, there are 27 first-class passenger coaches, two restaurant cars, one cafe parlour car, two combination coach and restaurant cars. There are 26 other pieces of equipment in this passenger service. Last year the railroad carried 200,000 passengers.

The railway operates 13,000 freight cars, along with 275 pieces of miscellaneous rolling stock used for maintenance. All trains are equipped with two-way radio and automatic block signals, which are being installed.

In 1959 the railway moved 2.5 million tons of freight along its 566 miles of lines. The railway operates 45,000 miles of long-distance

telephone circuit and 15,000 miles of telegraph and teletype circuit.

Contributory bus services moved about 60,000 passengers last year. Hauling is now entirely taken care of in the use of diesel locomotives.

I shall not go into any more detail respecting this great publicly owned service, but I am sure that in due course we shall be hearing more about its operation.

Mr. Speaker, it is a great honour to pay tribute to the hon. Prime Minister who has won for himself such a secure place in the history of this province. For 24 years he has represented the people of Victoria riding, gaining on each occasion a very substantial majority. He has led this government and the Progressive-Conservative party through 3 general elections and through 20 byelections; and, may I add, attaining in each case a perfect score.

It is an honour to me to support such a leader. It is my hope that he will be spared to lead this party and this government for many years to come.

Mr. N. Davison (Hamilton East): Mr. Speaker, in rising to take part in the debate on the Throne speech, I would first like to express my appreciation of the manner in which you endeavour to carry on the business of this House on an impartial basis.

But, Mr. Speaker, I am disgusted with the antics of this government in the matter of the unemployed. I suppose the methods used to stifle wide debate, on this most important problem facing us today, is a clever use of parliamentary procedure.

In the fall session, we were limited to two days' debate.

Only a few days ago, the hon. Minister of Municipal Affairs (Mr. Warrender) in making a statement on employment projects, used a technique that would delay debate on his statement for some time.

The *Toronto Globe and Mail*, a long-time Tory supporter, heads an article on this last action as: "PC's Show Rug-pulling Prowess."

Mr. Speaker, use of these tactics to delay and avoid a full-scale debate on unemployment, in an effort to reach a solution, is wrong—because it is done at the expense of people who deserve a better fate at the hands of their government—and I mean the thousands of unemployed we have with us today in Ontario.

This article says the Liberal opposition was taken aback when the government announced that a select committee would be appointed

to examine all major municipal legislation, because it was a request the Opposition had made for years and years.

Well, I cannot speak for them, nor do I care to, but, if I had made a suggestion and the government finally saw fit to introduce it as their own, I would be only too pleased that they had finally seen the light. My only concern is to have the needs met of the people I represent.

Mr. Speaker, I ask the hon. Progressive-Conservative members of this House to stop this silly rug-pulling game, and I ask all the hon. members to sincerely and earnestly cast aside party differences and get down to some constructive discussion of this mounting problem.

If our country were suddenly to be threatened with war or invasion, I am sure we would all work together to defeat it. We are involved now in a war on unemployment, whether everyone recognizes it or not, and it will take the collective thinking of the 98 hon. members of this House to find a solution to defeat this enemy. The solution will not be found by ignoring the problem or by treating it lightly.

It is obvious to me, as it must be to all of us, that there is something basically wrong with our present system which fails to provide full employment, or anything near it, in times of peace. If we are to do our duty to the residents of the ridings we represent, and to the citizens of Ontario as a whole, we must find the solution to this problem.

The hon. Minister of Municipal Affairs can juggle figures any way he wishes, but I too have a few figures, and they do not make for optimism.

In connection with the winter works programme in the Hamilton area, I want to point out that a total of 113 projects have been approved, of which only 44 are now in effect—31 in Hamilton; 5 in Burlington; and 8 in other local areas—employing a total of 627 men who could claim unemployment insurance benefits if out of work.

Now these men were not already on unemployment insurance benefits, although it is true they probably would have been if this work had not been made available. In the main they are employees of the city of Hamilton who would otherwise have been laid off during these winter months, and I am glad they have been employed.

But I am trying to point out that this winter works programme is not reducing the ranks of the unemployed. It is not even holding the line. Every week, the number of

those unemployed increases, until today we have 21,411—about 13 per cent of our work force—unemployed in Hamilton.

Faced with these facts, it is incredible to me how anyone can enjoy these childish “tricks of the trade.” As far as I am concerned, the hon. Minister is quite right when he says we do not want to talk about his wonderful figures—that we only want to talk about unemployment. He is so right—only there is more to it; we want to get a little action to reduce the numbers of the unemployed.

And, Mr. Speaker, I doubt very much if there is much value in a winter works programme that merely shifts a degree of employment from the summer to the winter. Most of these wonderful figures of the hon. Minister of Municipal Affairs are connected with buildings that would have to be constructed at some time during the year. They provide nothing new, nothing additional to supply extra employment, and extra employment is what we are most in need of at this time.

I remember very clearly, shortly after the last election, when the hon. Minister of Municipal Affairs, in referring to the defeat of the two former Progressive-Conservative members in Hamilton East and Wentworth ridings, said, and I quote from the *Hamilton Spectator* of June 13, 1959:

Just because somebody is defeated does not mean that the electors are going to suffer.

And again:

He was prepared to handle any extra work load.

And further:

Hamilton will get its fair share of attention.

Mr. Speaker, these were idle, bitter words to cover the defeat of his party in two Hamilton ridings. Had they been sincere words, there was much that could have been done in Hamilton over the past two years to provide work, and I am going to point out a few of them.

As long ago as 1958, the city of Hamilton was presented with the report of a committee which conducted an urban renewal study of the city of Hamilton. Proposals to develop programmes to conserve sound areas, rehabilitate declining areas, and redevelop the blighted areas were set forth.

Of the blighted areas, top priority was given to the Van Wagner and Crescent Beach area, and the city of Hamilton is now in

process of redeveloping this into a recreation area.

The hon. member for Wentworth East (Mr. Gisborn) has discussed the problems of this area many times in this House, and I am pleased that action is being taken at last.

However, the use to which it is being put, while most suitable and desirable, will not create the vast numbers of jobs so urgently needed in Hamilton.

I would like to draw the hon. members' attention to the area of second priority, which lies bounded by York street on the south, Barton street on the north, Queen street on the east, and Dundurn park on the west.

This area of half-a-dozen to 10 square blocks, so close to the heart of our city, would be the best of all possible locations for a high-rise, low-rental housing development.

Now I know that this area is in Hamilton Centre and I am surprised that the hon. Minister of Municipal Affairs has not been pressing this government for some form of additional assistance to the city of Hamilton, in order to get this project under way. Such a project would benefit, not just this particular area, but the city of Hamilton as a whole.

Its needs for structural steel would assist in bringing many steelworkers back to work, and it is hardly necessary to point out the many tradesmen in the building industries whose skills would be needed, nor the many secondary industries that would benefit from such a project.

One person in every 12 of the work force across Canada is unemployed, and this is a terrible condition. But, Mr. Speaker, in Hamilton, one in every 7.5 persons—13 per cent—of our work force is unemployed and this is disaster!

I propose to this House, when a community or an area reaches a point where 10 per cent of its work force is unemployed, that it be declared a disaster area, and that the provincial government encourage the local government to go ahead with projects of this or a similar nature. This encouragement should take the form of doubling its present commitment, so that the federal and provincial governments between them assume the total cost of acquiring and clearing land for these developments, on condition that the local government undertakes to construct low-rental housing units.

This particular area is especially well-suited for a development of this type. With adequate recreation facilities; with city services already established; a residential area, with part of

it classed as blighted and in need of re-development; close to the downtown shopping and office district, as well as to many industries, it is a district ideally suited to accommodate young married couples, or those with small families, or whose families are grown.

In short, this would be a perfect pilot project to initiate a low-rental housing programme in Ontario.

The Throne speech states we will be asked to consider a new approach to the provision of public low-rental housing and its financing. I will be happy to do so, and I hope that the government will give equally happy consideration to my suggestion.

The Throne speech also indicates that additional accommodation will be provided for elderly persons. I would hope that Hamilton will receive some attention in this matter, because accommodation for our senior citizens is still in short supply.

While the accommodation we have is of a high type and most pleasant, I feel we need more variation. We have Macassa lodge, where every effort has been made to avoid the appearance of an institution, and with considerable success. On the same acreage is constructed the apartment-type of dwelling for elderly couples able to care for themselves and this, too, is attractive.

However, they are located on top of our mountain, in an area mainly populated by young people with their growing families. For these elderly people, able to be up and about, there is little to see or do. Mostly they have to come down the mountain to visit friends, see a show or shop, and this is very costly for pensioners.

Older people do not adjust easily to change. They prefer the familiar surroundings and faces of their own neighbourhood.

It would seem to me that small units of apartments could be built in various parts of the city—perhaps as part of an urban renewal programme—so that these older couples might be accommodated in the areas where they are happy.

Attention should be given to providing one-room apartments with bath and small kitchenette for the single or widowed elderly person who is able, and who prefers, to maintain his or her own way of life, rather than requiring them to live collectively in lodges or to accept cheap substandard accommodation as an alternative.

Every city has little pockets in various areas that are blighted, or in some places they even have vacant land. What better use

can they be put to than to provide ease and comfort for our senior citizens?

I do not know, of course, what the government plans are regarding additional accommodation for elderly persons, but I urge that some consideration be given to this less concentrated type of housing for them.

In view of the present high level of unemployment, I am particularly interested in the special job training that can be made available to the unemployed, with federal assistance under schedule M. I am pleased to see that some action is taking place in this field of education.

I do not like to dwell on past behaviour too much, but I am sure we can all learn from past mistakes. I want to point out that in the year from April 1, 1957, to March 31, 1958, only 151 persons were enrolled in Ontario for training under schedule M. In the year April 1, 1958, to March 31, 1959, there were 126. In the year April 1, 1959, to March 31, 1960 only 62—and from April 1, 1960, to October 31, 1960, only 36 were enrolled.

In spite of the fact that the unemployment figure was becoming alarming and automation more threatening, this government did less and less over the past few years to combat it. I hope we have learned our lesson, and that more and more emphasis will be placed on this important area of education, so that our unemployed may be returned to gainful and useful occupations. Great numbers of our unemployed are those without skills and those with limited formal education. Certain general courses, as related to some particular vocation, are included in schedule M. On the other hand, schedule M excludes upgrading to a higher grade level and I do not believe this is wise.

It could be that education to a certain grade is required before the person is able to train successfully for a particular vocation. Perhaps a commercial course would be an example. I am sure there are cases where the province should assume this responsibility, so as to provide the fullest possible opportunity for the unemployed person to fit himself for other work.

I noticed that the western provinces emphasized the training of pipeline welders, no doubt in an effort to meet the employment needs in the construction of the gas pipe line in their area. I think it would be a good idea if Ontario took into consideration the particular fields of development being planned and emphasized training in trades that will be needed in completing these projects.

I would point out that, over the years I have mentioned, Ontario has consistently had the lowest enrolment of any province participating in schedule M. I look forward to the day when we have the largest enrolment of all the provinces.

I know this will take quite a lot of doing, when we consider that a city the size of Hamilton, with its high degree of unemployment, has not yet established a training programme under schedule M. They are still talking about it.

In closing, I want to say that I see no virtue in a balanced budget for its own sake. There are times when deficit financing becomes necessary. I think this is one of those times. I think the government of Ontario must have the courage to risk a little in order to demonstrate its faith in the people of Ontario. I think a mammoth injection of public funds, directly through

provincial public works and indirectly by stepped-up assistance to municipalities, is needed to boost our economy quickly.

Mr. C. E. Janes (Lambton East) moves the adjournment of the debate.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in moving the adjournment of the House, I remind hon. members of my earlier indication of the business on Monday. If we do the things indicated on the order paper, of course, we will go ahead with the Throne debate.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, February 6, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 6, 1961

4 O'CLOCK P.M.

THE LAKES AND RIVERS IMPROVEMENT ACT

And the House having met.

Prayers.

WILLIAM JAMES DUNLOP

Mr. Speaker: O Lord, we most humbly beseech Thee to look in love and mercy upon the soul of Thy servant, William James Dunlop, whom Thou has called from the cares and duties of this world unto Thine eternal presence. Graciously look upon those bereaved and may they find in Thee—the God of all comfort—a sure refuge and strength in the time of sorrow. For all his weaknesses and shortcomings we implore Thy mercy. For all his good deeds, for his human understanding, for his charity and friendship, we give thanks.

We pray Thee to give us Thy strength that we may live more bravely and faithfully for the sake of those who are no longer with us here upon earth, and grant us so to serve Thee day by day that we may find eternal fellowship with them, through Him who died and rose again for us all.

O Lord, support us all the day long of this troublous life, until the shadows lengthen and the evening comes, and the busy world is hushed, and the fever of life is over, and our work is done. Then, of Thy mercy grant us a safe lodging, a holy rest, and peace at the last; through Jesus Christ our Lord. Amen.

Mr. Speaker: Presenting petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE MUNICIPAL ACT

Mr. V. M. Singer moves first reading of bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the bill.

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Lakes and Rivers Improvement Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, the purpose of this amendment is to clarify the legal responsibility of persons giving approvals and making recommendations for approvals under The Lakes and Rivers Improvement Act.

Hon. W. M. Nickle (Minister of Commerce and Development): Mr. Speaker, concerning civil emergency planning, I am pleased to announce the appointment of Mr. Thomas A. C. Tyrrell as chairman of the emergency measures committee and director of the emergency measures organization. Mr. Tyrrell will devote full time to the responsibilities of this position, and will be the chairman of a committee of Deputy Ministers in order to ensure that the province will have an excellent civil emergency plan and will be prepared to face such emergencies.

In this regard, I am glad to acknowledge the fine leadership and co-operation which is being given by the Canadian army through Major-General Sparling and his command. Great progress is being made. Mr. Tyrrell will be able, from the Deputy Minister level, to co-ordinate provincial responsibilities and activities with those of the federal level and the Canadian army.

Mr. Tyrrell will have in the emergency measures organization Mr. John H. Pollard, who has been named assistant director under him, and who will also act as secretary of the emergency measures committee. Mr. W. E. Betts will act as regional civil defence co-ordinator under Mr. Tyrrell and his committee.

These administrative changes are being made necessary by the untimely death of Mr. W. J. Scott, who was director of the emergency measures organization. Mr. S. W. Clarkson, Deputy Minister of Energy Resources, has temporarily filled the vacancy thus caused. But the work involved is such

that the full time of a person having the necessary status is necessary. Accordingly, Mr. Tyrrell will assume this very important responsibility.

The work for the time being will be directed at bringing about federal, provincial and Canadian army co-ordination, but, of course, one of the very important matters is to provide for the fullest of co-operation with the municipal level of government. This is a very large assignment owing to the variables of requirements as among the various municipalities.

The trade and industry branch of the department is being reorganized and the functions of this branch enlarged. Mr. F. J. Lyle, who heads the branch, is reorganizing the same. Mr. Lyle will be director of industrial development and will be assisted by Mr. R. H. Stapleford as deputy director. Mr. Stapleford will return to Ontario from Ontario House in England in order to make available his wealth of knowledge of overseas markets. Mr. D. E. Holland will be named associate deputy director in the reorganized branch.

Every effort will be made to obtain the co-operation of industry, labour and all concerned in constituting a strong organization to provide for the continued growth of industrial and commercial development.

The task and the opportunities which concern us demand the requirement that is the job of all of us to work together to produce and market our goods. The reorganization of this branch of the department is to ensure that we do everything possible to continue our high rate of development.

Mr. H. F. Crown, who has served as a senior conservationist with the department, is to become executive assistant to the Minister. Mr. Crown's experience has well prepared him to assume these responsibilities.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, before the orders of the day, I might say that last Saturday at North Bay I attended the largest sale of raw furs ever held in Ontario. A record \$132,510 was realized from 18,000 pelts offered. This was the second of the 1960-1961 auctions held by the fur sales service of the Ontario trappers' association assisted by the officers of The Department of Lands and Forests.

Three more sales are scheduled for March, April and May, and it is anticipated that total sales for this season will reach \$500,000.

Buyers were present from London, England, and from New York, Montreal, Winnipeg, and from Ontario fur centres such

as Port Arthur, Timmins, Cochrane and Sudbury.

Ontario furs are held in high esteem in the world's principal fur markets. We are very much interested in maintaining this reputation at a high level.

With this in view, my department purchased at the fur auction upwards of 50 of the finest pelts available of our principal and most popular fur bearers. These are going next week, through The Department of Trade and Commerce at Ottawa, to be displayed in the chief fur centres of Europe. This Ontario display includes beaver, fisher, mink, marten, otter, lynx, muskrat, red fox and weasel. They will be marked with a distinctive stamp showing them to be first quality Ontario pelts.

The market for Ontario furs in Europe is very important to our trappers. In fact, I believe the activity of the fur sales will be reported in West German newspapers and other news media overseas.

There are about 12,000 registered trappers in Ontario. Of these, about half are on registered traplines. Virtually all the Crown land in the northern part of the province is now under registered trapline management.

The registered trapline system enables a trapper to reap a reward year after year of his own good management of the fur bearers on his trapline. The system has proven most popular.

We believe that, as a result of its introduction, the orderly management and harvesting of our important fur-bearing animals has been made possible. Almost 500 trappers shipped their furs to the sale last Saturday and were well pleased with the prices they were paid.

Top prices ranged from \$50 for top quality fisher and \$48.50 for otter to \$32 for beaver, \$14.25 for lynx, \$8.50 for marten, \$17 for wild mink. Almost 8,000 beaver were sold.

We have in the House today, in the upper gallery, the president of the Ontario trappers' association, Mr. Gilbert Grawbarger of Restoule, Ontario. Also we have two representatives of the Indian trappers who form an important segment of our trapping population. Here today is John Michel Hunter from Winisk in the far north, a fine young man who attended the North Bay sale for the first time.

Here also is George Councillor of Fort Frances in the far northwestern part of the province, and the department's Cam Currie who acts as fur sale supervisor, located in North Bay.

These and other men, through their association and with the assistance of the department, are rapidly enlarging this branch of our economy. Our interest in the welfare of the trappers has led us to co-operate with their association to a great extent in getting their sales service going. We hope to continue this assistance indefinitely.

Mr. A. Wren (Kenora): Mr. Speaker, may I make some non-controversial statement about this which would lead up to a question on what the hon. Minister has had to say?

Mr. Speaker, I just want to say that the sale which took place on Saturday was indeed a great success and was, I am certain, appreciated by all those engaged in the trapping industry. I am interested in the hon. Minister's comment that he is going to exhibit the excellent quality of these furs in other parts of the world.

My question, Mr. Speaker, would be this: Has the department under consideration, for some time in the future, the possibility of advancing funds to trappers when their furs are brought in in the raw state, in order that they might have an advance of money and funds available to carry on their operations until the sale is held?

Hon. Mr. Spooner: Mr. Speaker, in answer to the question of the hon. member, I am advised that the Ontario trappers' association will make an advance to a trapper before the sale.

Mr. L. Troy (Nipissing): Mr. Speaker, I am also interested in the statement of the hon. Minister. I saw part of the programme on television at home, and I was most interested in the statement in regard to beaver. Is it true that some of the people in The Department of Lands and Forests are using, not fur hats, but imitation fur or nylon?

Hon. Mr. Spooner: In answer to the last question, Mr. Speaker, I might say that all hats that are issued by The Department of Lands and Forests are made of real beaver. It may be that some of our officers wear their own hats and they could be any kind of fur they like.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the following:

1. The fortieth annual report of the public service superannuation board.
2. The report of the provincial auditor on the public service superannuation fund for the year ended March 31, 1960.

3. The report of the provincial auditor on the public service retirement fund for the year ended March 31, 1960.

Mr. Speaker: I would ask permission to revert to petitions.

Clerk of the House: The following petition has been received:

The petition of the Tilbury district high school board praying that an Act may pass validating debenture bylaws of the townships of Tilbury West, Tilbury North, Tilbury East and Romney and the town of Tilbury, for school construction.

Mr. Speaker: I revert now to introduction of bills.

TILBURY DISTRICT HIGH SCHOOL BOARD

Mr. G. W. Parry moves first reading of bill intituled, "An Act respecting the Tilbury district high school board."

Motion agreed to; first reading of the bill.

Mr. Speaker: Orders of the day.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day, I would ask the hon. Minister of Municipal Affairs (Mr. Warrender) when we can expect his report on Elliot Lake. If I recall, on the opening day I asked about Elliot Lake. As I recall, Mr. Speaker, the hon. Minister advised the House that he would report in conjunction with the financial affairs of Elliot Lake within a matter of two weeks.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, I have the time limit in mind—I think the two weeks are up on Wednesday and I hope to make a statement tomorrow on it. If not, on Wednesday—still within the time limit.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, the order of business for tomorrow will start off with the estimates of The Department of Transport, and if there is any time left after that, the Throne debate, and perhaps matters on the order paper, with a night session for tomorrow night.

Mr. P. Manley (Stormont): Mr. Speaker, may I ask the hon. Prime Minister a question? Was he aware that the hon. members were invited to the co-ordinating board for supper tomorrow night?

Hon. Mr. Frost: No, I was not.

Mr. Manley: Also the committee on agriculture is invited.

Hon. Mr. Frost: Well, I was not aware of this, as a matter of fact. I would suggest we let the matter stand and I will look into it and see if we can work things out. If we cannot, then perhaps we might be able to change the order of things. I will let the suggestion stand as it is now and we will see what can be worked out.

Mr. R. M. Whicher (Bruce): Does the hon. Prime Minister never talk to the hon. Minister of Agriculture (Mr. Goodfellow)?

Hon. Mr. Frost: Oh yes, quite often.

OTTAWA CIVIL SERVICE RECREATION ASSOCIATION

Mr. I. Haskett moves second reading of Bill No. Pr1, "An Act respecting the Ottawa civil service recreation association."

Mr. Whicher: Before the second reading of this bill is passed, those hon. members of the committee on private bills who were at the meeting will remember that I spoke very strongly against this bill. I felt that inasmuch as there were no representatives of the Ottawa council for the year 1960 present, this bill asking for a tax exemption for a building in Ottawa should not be passed, even though it was merely giving permissive legislation, without having some member of the council present.

Eventually I was voted down. But since that time I have been approached by several people and have read press statements from Ottawa papers. So I would strongly suggest, Mr. Speaker, that before this House passes this bill and gives it second reading, we reconsider it. I am sure that there are many of the hon. members who were at the committee on private bills meeting the other day who did not realize that the present council of the city of Ottawa knew nothing about this bill.

Secondly, I believe that in the past and present sittings, we are giving far too much permissive legislation that allows certain buildings, no matter how good a cause they may represent, to be exempt from taxation.

I think, Mr. Speaker, that all of us must realize that somebody must pay the tax bill, and the exemption in this particular example, I believe, is a matter of some \$20,000.

What we must remember is that if we allow \$20,000 to be exempted on this particular bill, the taxpayers of Ottawa are going

to have to pay it. I do not believe that this assembly, Mr. Speaker, with all due respect, has any business passing legislation, even though it be permissive, for something the city council of Ottawa has not requested, certainly inasmuch as they were not present at the meeting the other morning.

Therefore, Mr. Speaker, I hope that some of the other hon. members will say something about this bill. But if not, I want to say that I am strongly opposed to it, not only on the principle that we must stop exempting properties affected by municipal taxation, but because Ottawa has not even asked that this bill be passed.

Mr. Troy: Mr. Speaker, I notice that the hon. member for Ottawa East (Mr. Morin) was a member of the 1960 council, and I understand he is also an alderman of this council. He could have been approached. He is, I believe, a member of the council of the city.

Hon. Mr. Frost: I feel it is only right that we should have an explanation of this bill.

I read in the press somewhere that one of the hon. members of this House felt that there should be some statement of policy in relation to these bills that claim exemptions, or ask us to make exemptions. I thought, sir, that last year, when the bill was before us for consideration in relation to the YWCA of Metropolitan Toronto, I had made that statement. I feel very strongly that such bills should not be passed except on a permissive basis.

Mr. T. D. Thomas (Oshawa): The hon. Prime Minister puts the responsibility on the local council.

Hon. Mr. Frost: I am going to come to that in a moment. I think that if these bills are passed, they should be permissive. I do not think that this assembly should give property exemptions in the province. That is the first thing.

The second thing is, that I understand this bill was introduced in this House in November. The hon. member for Ottawa West (Mr. Morrow) can give the explanation. As a matter of fact, I think this arises because of the fact that there is a new council in Ottawa—there are certainly new members on the council.

I did not hear anything about this matter until a few moments ago when I was inquiring about these bills, and I learned that there were some differences about it.

Some have said that I was being met with telephone calls and everything else. I can

assure you, sir, that such is not the case. I have been available and nobody has phoned me or said anything about it at all, and as far as I am concerned I do not think anybody has written to me about it.

Mr. D. C. MacDonald (York South): The hon. Prime Minister is the only person Charlotte is afraid of.

Hon. Mr. Frost: I do not know. I know nothing about any opposition, expressed or implied, to this bill. As a matter of fact, the first opposition I have heard in a tangible way is that which came from the hon. member for Bruce.

But I understand, sir, after a brief inquiry I made before coming here, that the previous council had given this bill its blessing. I could be quite wrong about that, but as a matter of fact I understand their solicitor had prepared the bill. Perhaps we can obtain clarification of the same.

By no means do I think that a bill like this should be hurried through this House in any way. I would be perfectly prepared to hold the bill awaiting a decision from the Ottawa council, if such is required, or let it go into committee with that understanding—that we would hold it. That would be all right if the hon. member for Bruce is satisfied, but I think, sir, that there are certain of the hon. members here who can throw some light on the origin of this bill.

It was the first bill introduced when the session was convened on November 22, and it has not been proceeded with for one reason or another up to the time it was considered by the private bills committee a few days ago.

Mr. K. Bryden (Woodbine): Mr. Speaker, I was the member of the private bills committee who made some comments in committee, not particularly with respect to this bill but rather on the general principle of bills coming to this Legislature asking for tax exemptions.

I appreciate the distinction between a tax exemption granted on a permissive basis—in other words permitting the municipal council to grant a tax exemption if it sees fit—and those that are on a mandatory basis.

Although there is a technical and an obvious legal distinction, Mr. Speaker, I am by no means certain that there is as great a distinction in practice.

What happens when any organization comes before the private bills committee, asking us to give authority to the municipality

to grant a tax exemption, is simply that we pass the buck to the municipality. It is easy enough for us to say: "Fine, let the municipality decide," but then the municipal council becomes subject to pressure at the local level.

I am concerned, Mr. Speaker, with the lack of any clear-cut policy on this question of tax exemptions.

After the meeting of the private bills committee, at which this bill was discussed, I checked through bills that had been passed in the past 4 or 5 years to see what we had been doing on this question of tax exemption.

I found that in most years we passed 4 or 5 bills providing that a municipal council in some municipality could give a tax exemption to a specific organization there. One, two or three of them were mandatory bills and they all related to universities, as I recall.

But there were quite a number of these so-called permissive bills, and it seems to me, Mr. Speaker, that we are running into real trouble on this question. It is very difficult for hon. members of the private bills committee to decide whether or not a tax exemption is merited, or whether or not it is meritorious to give the municipality or municipal council authority to grant a tax exemption.

We are not in a position to make those judgments. Speaking for myself, I certainly am not in a position to know whether in a specific municipality this sort of authority should be granted. I am very doubtful about it in most cases, but I do not have enough information to be able to express an intelligent opinion one way or the other.

I may say that the amount of information that we get on the private bills committee is inevitably quite limited because we do not have the time to go into these matters in detail.

I suggested in the committee, and I am repeating my suggestion in this House, that the government should determine a policy on the matter of tax exemption. To a certain extent it has already done so.

As I recall The Municipal Act, it provides that certain organizations will get tax exemptions on their property, and in other specified cases the municipality may grant exemption. I believe that is the way it should be done, Mr. Speaker. I think it should be done by a general statute setting forth the general policy. Then the municipalities and all others concerned know exactly where they stand, and this Legislature and its private bills committee will no longer be in the invidious position of trying to decide in a

specific case whether or not an exemption is justified.

As I see it, it is possible that we will have no end to this thing. One organization comes in and asks for a tax exemption. It appears to be meritorious to grant the exemption. Then another organization that is slightly different comes in and asks for an exemption. It is very difficult to refuse the second one after the first one has been granted.

So it goes. Where do we draw the line? It should be drawn as a matter of public policy.

I will say quite frankly, sir, that I regard the particular bill before us as a borderline case. I took the position in the private bills committee that I was not going to oppose this particular bill because I could not see how we could oppose it in view of others which had been granted in the last few years. I still was most unhappy about it.

I know that the organization concerned is a worthy one and an important organization in the community. Still it only represents part of the inhabitants of that community. It provides facilities only for part of them, even if a very substantial part. As soon as they get a tax exemption then an additional tax burden is imposed on all the other residents of the community.

I believe, Mr. Speaker, that it is time we ended this situation of one organization after another coming in asking us to grant tax exemptions. I submit, sir, that it is not sufficient merely to say: "Well, we will do it on a permissive basis; we will permit the municipal council to make up its mind." The municipal council should be in a position where it has a definite and clear-cut statutory basis on which to act, and the statutory basis should not change from year to year and from organization to organization.

Putting this on a permissive basis is simply a matter of buck-passing as far as this Legislature is concerned. We can be big fellows and say to an organization: "As far as we are concerned you may have a tax exemption." That puts it in the lap of the municipal council.

After all, the municipal council is like all the rest of us. It has to go back for election, and it is very difficult for its members to offend some significant group of people in a municipality even if in justice they ought to reject the request.

I would make an appeal, Mr. Speaker, to The Department of Municipal Affairs and the hon. Minister and the government to

give further consideration to this whole question, with a view to bringing in definite concrete legislation which will remove from the private bills committee the necessity of dealing with any of these special and individual requests for tax exemption.

Mr. I. Haskett (Ottawa South): Mr. Speaker, for the record may I point out that this petition was brought forward and presented on November 23 last and had its first reading on December 1. When introducing it before the private bills committee on Tuesday last, I made it abundantly clear to the meeting that it had been given tentative approval last year by the then city council.

Before I could spell that out further, it was explained to the meeting that it was merely a permissive bill, and that if it were passed by the Legislature it would have to be carried before city council in Ottawa and receive the approval of council before it would become effective.

It is in line with the practice which has been followed by this Legislature for some time now to grant the exempting of these properties on a permissive basis, and leave it to the local municipalities to decide whether it shall be granted or refused or revoked—or it may be granted and then that is the form in which the bill stands now.

I should like to add this one further word. Neither before nor since this bill was introduced or brought before the private bills committee, have I had any communication of any kind from the city of Ottawa.

Mr. C. E. Janes (Lambton East): Mr. Speaker, in an area as large as the province of Ontario, it is impossible to put through general legislation to cover these special instances. I do not think it possible to cover all the various situations over the province by general legislation because some of these organizations should have exemption.

For the last 10 or 12 years we have been granting permissive legislation to all these organizations, and surely with 20 members in the Ottawa council they are quite capable of taking care of the Ottawa bill. How could we in that committee refuse permissive legislation to Ottawa after granting it to Toronto a few minutes before that? We must use them all alike.

Mr. Whicher: Ottawa never asked.

Mr. Janes: Ottawa did ask, sir. I do not see how the committee can refuse one, and grant it to the other.

This Ottawa council is quite capable of handling its own business.

Mr. V. M. Singer (York Centre): Mr. Speaker, I object to this bill in principle. The hon. member who spoke last asked: "How can it be granted to one municipality and not to another?" Each one of these exemptions as they have been brought up have disturbed me in the private bills committee.

It seemed reasonably clear that such institutions as the YMCA, the YMHA and the YWCA had had some precedent on which to rely. It was only reasonable that when the Toronto YWCA and the national YWCA and the Port Arthur YWCA came before the committee that they be granted something along the same line.

Here, Mr. Speaker, we are extending it much further. Here is the civil service commission of the city of Ottawa. Now whether this is a union or not, it certainly is a grouping together of employees.

If this idea carries, certainly it would be logical for the city of Oshawa to ask for an exemption for the united automobile workers, for the city of Windsor to come in for the same thing, for all the union organizations across the province to ask for similar exemptions.

Following that, I am quite sure it would be reasonable and sensible for the board of trade in Toronto to come in and ask for exemption for their big building down on Adelaide Street, because after all they are a fine group of people and they should get a similar exemption.

Somewhere along the line, Mr. Speaker, we should draw the line. We have not drawn the line as against the YMCA, the YWCA and organizations of that type, but I think now it is time to draw the line, and I do not think this bill should be allowed to have its second reading.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, I want to voice the same concern as voiced by the hon. member for York Centre and the hon. member for Woodbine. I abstained from voting in the committee, although I was quoted in the *Toronto Daily Star* as opposing it. I abstained because I did not know just what the situation was.

In the private bills committee the question was asked: "What is the stand of the municipal council?" We were given to understand that they would be in favour of passing a bylaw to exempt the tax on this particular building. Then the question came up in

regard to the change in council. I understand that the mayor has shown some concern about this procedure, but, nevertheless, the precedent established may be a serious one.

The steelworkers union in Hamilton have just about completed a hall that has cost something like \$650,000. They are a non-profit organization. Of course, the building will be used as a service building, but for a considerable portion of time it will be used for recreational purposes. It will not always be confined to the steelworkers; it will be open in many cases to the municipality.

The Canadian civil service association in a great sense is similar to a trade union movement; it has its economic section, but I understand this is strictly recreational. So I would ask the government to consider this type of bill in relation to bringing down some firm policy for the future so that we all know just what kind of a stand to take. Let us remove the pressure from the municipalities and take a firm stand on this kind of legislation.

Mr. Wintermeyer: Mr. Speaker, I want to join with those hon. members who are opposing this bill. I think the point has been very well made that this bill does go farther than the bills we have had introduced in the Legislature heretofore.

My recollection, Mr. Speaker, and the hon. Minister of Municipal Affairs can certainly help me out here, is that heretofore the bills have revolved around the question of whether or not a particular institution is, in fact, a charitable institution within the definition of section 411 of The Assessment Act.

We are breaking entirely new ground here. Heretofore we were talking about religious institutions, or at least associations that were semi-religious in nature. I do not think there is any pretence in this particular institution that it is related to a religious or out-and-out charitable institution as we normally interpret those institutions under the provisions of the Act.

Therefore, personally I would make this specific point: This bill, in my opinion, goes far beyond any principle or any interpretation of charitable institutions that we have determined heretofore.

Secondly, the legislation that has heretofore been requested of an exempting nature has been initiated by the municipality itself. In this particular instance that is not the case, because I would point out, Mr. Speaker, that whereas the 1960 council certainly did have some association with this legislation, we have an entirely different council and we are violating the elementary principle that one

council cannot make a new council responsible for financial arrangements incurred by the former council.

I think here we have the situation where the bill was initiated by the old council prior to its expiration on December 31, and I think it would be manifestly unfair to burden the new council with this additional financial responsibility unless they initiated the request.

I think, for this further reason, Mr. Speaker, we must oppose this particular bill on second reading and vote against it if the government sees fit to bring it forward.

Mr. MacDonald: Mr. Speaker, I would like to move, seconded by Mr. Thomas, that Bill No. Pr1 be referred back to the private bills committee to provide the new council of the city of Ottawa with an opportunity to make such representations on the bill as it sees fit.

I would just like to make two comments on that motion, Mr. Speaker. I do not want to repeat much that has been said, but it seems to me that we are getting into an increasingly invidious position. I suggest there is only one way in which we are going to be able to get ourselves off the hook, so to speak, and that is that the government shall lay down a policy.

I have been sitting in private bills committee for the last 6 years, and every year there has been a spate of these bills come before us. Every year there has been a group of spokesmen get up and say: "We should not be doing this. We should have a policy." And every year has gone by, Mr. Speaker, and there has been no policy laid down. If the government is in a little bit of trouble on this, I suggest to you, Mr. Speaker, they have nobody to blame but themselves.

Hon. Mr. Frost: We are not in trouble.

Mr. MacDonald: Some of the hon. government members are in trouble, and I suggest that the hon. Prime Minister will help both them and the justice of the situation by laying down some policy on the matter.

The second point that I want to make, Mr. Speaker, is this motion is focused primarily on the point of giving the new council an opportunity to present its views. I think that this in justice must be done, because as far as I am concerned there is one little mystery in this thing that puzzles me a great deal.

True, this may have been introduced in the first instance by the 1960 council of the city of Ottawa; but the bill was presented and the solicitor of the city of Ottawa was down here on the presentation of the bill. I have a little difficulty in figuring out how

the solicitor for a council would be down here and the mayor of the city would know nothing about it at all.

Hon. Mr. Frost: I agree, I agree.

Mr. Haskett: It was the solicitor for the association.

Mr. MacDonald: I am sorry, I thought the earlier reference was to the solicitor for the city of Ottawa. I am in error on that; it was the solicitor for the association.

In any case, the point of this motion that I move, seconded by the hon. member for Oshawa, is that we should give the new council an opportunity to present their views, because the mayor says that she was not even aware that it was coming before the private bills committee.

Hon. Mr. Frost: Mr. Speaker, I want to say that I was just about to propose that motion myself when the hon. member for York South moved that the matter be referred back to the private bills committee. I certainly accept the motion.

It is the sensible thing to do in view of the uncertainties about this bill and the sponsorship of it, and so on. I think it might very well be referred back to the private bills committee and there the fullest opportunity can be given to hear the representations that would be made on the part of the Ottawa city council or any other person concerned in this matter.

Determining policy in these matters—a hard-and-fast inflexible policy—is very difficult indeed. Nearly all these cases rest on their own merit.

As a matter of fact, sir, personally I am very much opposed to the Legislature granting exemptions of any kind. I have taken that position over the years. At the same time there are peculiar circumstances associated with these matters, and nearly all have to be determined upon their own merits.

Let me give the hon. members an example. Last year we had that YWCA bill which came before the House. Personally, I was very much opposed to granting exemption. Although my sympathies were all with the YWCA, I was opposed in principle to passing the bill here. The difficulty in that matter arose from this—and it shows the case in point, the problems with which we have to deal and the difficulty about laying down hard-and-fast policy.

In that particular case, for years these people had enjoyed this exemption. For years the matter had proceeded and the city

of Toronto itself, I understand, favoured granting the exemption. But in rereading the Act years after the exemption was originally granted, it was found that they were in error and in the meantime the YWCA had made commitments on other things and it seemed proper and reasonable that this bill should pass.

Under those circumstances I was willing to change my viewpoint and accommodate myself to those facts. Nobody can prejudge these things.

In this particular case, I think there is merit in the proposition that in passing a bill here which is permissive we make it difficult for the council. That is perfectly true. On the other hand, I do not think that where there is a reasonable and a good case for passing it to the council, we should hesitate to give them the duty, and also the power, to do these things.

It is difficult to say that these cases of exemption would be confined to a particular class of cases—charitable ones. On reading the preamble to this bill it might be argued that this matter is of a purely charitable nature and, therefore, perhaps would be entitled to exemption. I suppose these people are building a structure which is of general use to the people of Ottawa and they may have an excellent case. If we take some hard-and-fast formula we may do grave injustice.

It is difficult to find a substitute for the wisdom of a private bills committee. A private bills committee is drawn from people of experience, good judgment and good sense. They can judge these things on their merits.

I say that in response to the talk about the matter of drawing general policy. After all, I like to be guided by good sense and judgment in these things, and I like to avoid putting ourselves into an untenable frozen sort of position which may do injustice to people.

Remember that the committee on private bills over the year always has to take care of anomalies that arise in the government and in the administration of the general laws of this province. That is why so many private bills come before us. It is not anything concerned with this, but it is associated with almost everything.

I was about to make the motion which the hon. member for York South made, seconded by the hon. member for Oshawa. I am very glad to accept that motion and I will vote for it and I would advise all hon. members to vote for it.

Motion agreed to.

CITY OF NIAGARA FALLS AND TOWNSHIP OF STAMFORD

In the absence of Mr. G. Bukator, Mr. Wintermeyer moves second reading of Bill No. Pr2, "An Act respecting the city of Niagara Falls and the township of Stamford."

Motion agreed to; second reading of the bill.

CITY OF PETERBOROUGH

Mr. K. Brown moves second reading of Bill No. Pr5, "An Act respecting the city of Peterborough."

Motion agreed to; second reading of the bill.

REUBEN EDWIN CLEGHORN FOUNDATION

Mr. Wintermeyer moves second reading of Bill No. Pr20, "An Act to establish Reuben Edwin Cleghorn foundation."

Motion agreed to; second reading of the bill.

RENFREW VICTORIA HOSPITAL

Mr. M. Hamilton moves second reading of Bill No. Pr21, "An Act to incorporate Renfrew Victoria hospital."

Motion agreed to; second reading of the bill.

CITY OF PETERBOROUGH

Mr. Brown moves second reading of Bill No. Pr35, "An Act respecting the city of Peterborough."

Motion agreed to; second reading of the bill.

CITY OF CHATHAM

Mr. G. W. Parry moves second reading of Bill No. Pr36, "An Act respecting the city of Chatham."

Motion agreed to; second reading of the bill.

TOWN OF COCHRANE

In the absence of Mr. R. Brunelle, Mr. G. E. Gomme moves second reading of Bill No. Pr38, "An Act respecting the town of Cochrane."

Motion agreed to; second reading of the bill.

CAPUCHIN FATHERS OF ONTARIO

In the absence of Mr. J. Morin, Mr. A. H. Cowling moves second reading of Bill No. Pr33, "An Act to incorporate the Capuchin Fathers of Ontario."

Motion agreed to; second reading of the bill.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF CANADA

Mr. A. F. Lawrence moves second reading of Bill No. Pr40, "An Act respecting the Young Women's Christian Association of Canada."

Hon. Mr. Frost: This is permissive, and apparently the city council is in agreement. If there is any change in that, we can consider it in committee.

Motion agreed to; second reading of the bill.

UNIVERSITE D'OTTAWA

In the absence of Mr. Morin, Mr. Cowling moves second reading of Bill No. Pr42, "An Act respecting Université d'Ottawa."

Motion agreed to; second reading of the bill.

REGULATION, INSPECTION AND LICENSING OF HOISTS

Hon. C. Daley moves second reading of Bill No. 25, "An Act to provide for the regulation, inspection and licensing of hoists used during the construction, alteration, maintenance or demolition of buildings, structures and other works."

Mr. Gisborn: Mr. Speaker, I was going to look into the intent of this bill but it slipped my mind. I wonder if the hon. Minister of Labour will explain the difference.

Have there been regulations in the past in any shape or form, or is this a completely new attempt to set up regulations in regard to the hoisting equipment, whether it is hoisting equipment on buildings or hoisting equipment in itself? I would like to hear the hon. Minister make some comments as to just what it means.

Hon. C. Daley (Minister of Labour): It is a completely new bill. There is no bill in effect at the present time covering this.

Recently under The Elevators Act, the province has assumed responsibility for the examination of elevators within the city of

Toronto. When The Elevators Act came into effect there was a very competent and efficient inspection of elevators within the city. Because of this inspection and the physical aspect of taking over the whole province at once, we deemed it advisable to leave the inspection of elevators within the city of Toronto to the city.

Recently in negotiations with the city we have taken over the inspection of all elevators including those in the city of Toronto. And we found when we got into this that the city of Toronto had a bylaw controlling the construction of hoists and their inspection. So it became necessary, we felt, to have an Act such as Bill No. 25, the title of which really explains the nature of the Act. It provides for the regulation, inspection and licensing of hoists used during the construction, alteration, maintenance or demolition of buildings, structures and other works.

We deem it necessary that there should be inspection of these hoists which can become hazardous, and that is what this bill is. This bill will go through the committee on labour. We have consulted with contractors and any person that constructs these, and have tried to make regulations that would be fair and reasonable. I believe we have general agreement with all the people across the province who use this type of hoist; we are pretty much in agreement with them. But I think the proper place to discuss it in detail will be the committee on labour, which is where it will go.

Motion agreed to; second reading of the bill.

THE SURVEYS ACT

Hon. Mr. Spooner moves second reading of Bill No. 35, "An Act to amend The Surveys Act."

He said: Mr. Speaker, the purpose of this bill is to transfer to the regulations the provisions with respect to the types, location, and so on, of survey monuments. It would make the provisions relating to the evidence to be shown on plans of subdivision applicable to all plans of survey.

Motion agreed to; second reading of the bill.

THE RAILWAY FIRE CHARGE ACT

Hon. Mr. Spooner moves second reading of Bill No. 36, "An Act to amend The Railway Fire Charge Act."

Motion agreed to; second reading of the bill.

THE CORPORATIONS ACT

Hon. Mr. Yaremko moves second reading of Bill No. 37, "An Act to amend The Corporations Act."

Motion agreed to; second reading of the bill.

THE MARRIAGE ACT

Hon. Mr. Yaremko moves second reading of Bill No. 38, "An Act to amend The Marriage Act."

Mr. MacDonald: Mr. Speaker, I would like to comment on this briefly. While this is an amendment to The Marriage Act, I think it raises other matters.

The whole import of this bill is to grant deputy magistrates the right to perform marriages, whereas before, this right was hitherto restricted to magistrates alone. This raises questions in my mind and I do not know whether they would be appropriately addressed to the hon. Provincial Secretary and Minister of Citizenship, under whom comes marriage, or to the hon. Attorney-General (Mr. Roberts), under whose jurisdiction I assume The Magistrates Act would come.

It is conceivable that the matters of principle would come under the hon. Attorney-General, because it seems to me, Mr. Speaker, that for some time he has had what would appear to be something of an invidious position. As I understand it as a layman, a deputy magistrate does everything that a magistrate does with few exceptions, and one of them was to conduct a marriage.

This will amend it so that the deputy magistrate will be brought up to the level of a magistrate in this particular instance. But the question that I would like to raise on the matter of principle is, why this distinction? My information is that a deputy magistrate, with these few exceptions, has exactly the same powers as a magistrate. Why are we carrying this distinction on?

Mr. Singer: He is an apprentice.

Mr. MacDonald: Mr. Speaker, the hon. member is a lawyer, and I would concede that he conceivably knows a great deal more about this than I. But I have looked into the specific aspect of the question that is before the House, and I do not think he knows any more about it than I do, and I shall venture to state my case on this specific aspect and then let him raise his voice if he wants.

My suggestion, Mr. Speaker, is that the time has come when we should eliminate this

distinction between the deputy magistrate and the magistrate and put them on the same basis.

If the argument has any validity—that a man is brought in as a deputy magistrate in something like the position of apprentice—it seems strange to me that he should have the full powers of the magistrate.

Furthermore, I am informed that the basis upon which pay increases are made to a deputy magistrate is not on any firmly recognized scale. Therefore one would presume it is at the pleasure of the hon. Minister. This, too, seems to be underlying the invidious position between the two grades of magistrates—the deputy and the full magistrate—both of whom are doing the same work.

Since we have before us this principle of extending the powers of a deputy magistrate to marry, I wonder whether or not the time has come for the government to eliminate this distinction which appears to have invidious characteristics to it. I am told that the distinction might have arisen through the years because of the fact that some of the magistrates appointed were people without legal training. I do not know what the correct term is—whether they are non-legal appointments. And I understand that the government is moving more and more toward the appointment of magistrates who have legal training.

Personally, I would go along with this. It seems to me to have been little short of ludicrous in the past that, at a magistrate's court level—and I understand 90 per cent or more of all the cases that come before our courts go to magistrates—we should have appointed people, in some instances, to move into a court for the first time and sit on the bench to dispense justice.

Hon. A. Grossman (Minister without Portfolio): They are smarter than lawyers, that is all.

Mr. MacDonald: I will recognize that some people have a great deal more native ability, and I will recognize that some of them have a great deal more native ability than some lawyers I know and, therefore, conceivably they would become good magistrates.

I think to be perfectly fair in assessing this situation, there have been some appointments of people who did not have legal training who turned out to be our best magistrates. So this is not a clear-cut case.

On the other hand, if a man is going to be appointed to the bench—in such an important court as the magistrate's court—it seems to be commonsense that he should

have some legal training. It seems to me the way to protect ourselves from the weaknesses in the system at the present time would be—and perhaps this is a vain hope on my part—that we would escape from appointments that are made on a purely political basis.

Sometimes—do not push me or I will name a few of them—sometimes to appoint to the bench defeated Tory candidates, or when they had the nominations stolen from them—because of a little upheaval in the local area, and then God steps in on the side of the hon. Prime Minister as He always seems to, and the local magistrate dies and they get away from this problem by appointing the—

Hon. Mr. Frost: They are all great fellows, great men. Wonderful fellows.

Mr. MacDonald: It seems to me this kind of thing makes a mockery of the importance that we attribute to our courts.

Hon. Mr. Frost: That adds to his stature and ability.

Hon. A. K. Roberts (Attorney-General): It would be impossible to appoint all the defeated candidates on the hon. member's side of the House.

Mr. MacDonald: After the next election there will be so many defeated Tories that there will not be enough places to put them all. However, there will not be anybody to put them there, because the government will be out.

Mr. Speaker, may I try to tidy up the final point I was raising? If the government is moving towards appointments to the magistrate's bench of people who have legal training, it seems to me that now is the time to remove the invidious distinction between deputy magistrates and magistrates for those who have been appointed up to now, good, bad or indifferent. And as long as the government carries on this distinction between two groups of people who are doing exactly the same work—the deputies and the full magistrates—the government is being unfair. It establishes a second class of magistrate which has no real meaning. In some instances there have been deputy magistrates who—just as a person can remain a casual civil servant in this government for 25 years—have been deputy magistrates for quite a number of years.

I plead with the government to consider the basic principle here and give some consideration to the proposition of making

magistrates all of full status and eliminating this distinction.

Hon. Mr. Yaremko: Mr. Speaker, in regard to the specific amendment to the Act itself, I may say that the Ontario magistrates association, which is made up of magistrates, suggested this amendment. It was concurred in by The Department of the Attorney-General and by the inspector of legal offices.

Under The Marriage Act the power is given to perform marriages "to a magistrate appointed under The Magistrates Act." The Magistrates Act has referred to "a magistrate" and "a deputy magistrate" and I will leave the hon. Attorney-General to go into that question now or take it under consideration.

We are proceeding with the specific function of granting the deputy magistrate the right to perform these civil marriages.

I may say in conclusion, Mr. Speaker, with reference to a remark made by the hon. member for York South, I do not think that the hon. Prime Minister is so much concerned with whether God is on his side so long as he is on God's side.

Hon. Mr. Roberts: Mr. Speaker, I might say with respect to the comments from the hon. member for York South that in a very general way the policy during the last few years has been to appoint to the bench people with legal training. But there has always been the reservation that under certain circumstances and conditions a non-lawyer might be a very suitable appointee.

There are parts of the province where it is almost impossible to obtain people with legal training to appoint. I have not had to deal with it because there have been no vacancies. But in a great part of the north country at the present time, particularly northwestern Ontario, the magistrates are men who were not originally trained in the law. That happens to be a very vast area where problems are local, and are not quite the same as the problems we have to deal with in some other parts of the province.

However, speaking to the question broadly, the policy is to appoint people with legal training as magistrates. They are appointed for two years as deputy magistrates and then, if their tenure of office has turned out to be satisfactory, after two years they are appointed permanent magistrates—that is, if they have had legal training.

In the case of non-legal trained people, the policy has been to retain the distinction as a deputy magistrate. But after two years, under a recent amendment to the Act, they

have the same permanency of tenure of office as a magistrate.

In this particular area, the metropolitan area, we have some 6 or 7 deputy magistrates. In all cases except one they were men who had had many years' experience with the police court work, either as justices of the peace or clerks of many years' standing and training. When they were appointed, they were appointed on the basis that this would be a promotion for them, that it would give them considerably higher standing. But there was still the distinction between the complete legal training which has been characteristic of the appointments, in the larger areas particularly.

Outside of one or two appointments from deputy magistrate to magistrate, when I first took office, I have adhered strictly to that particular policy which I think is in the best interests of administration of justice, and is tending to bring more and more legally trained people into this office which is, in itself, with all the complications of modern society, becoming more and more an office that requires very strict and careful training.

I do not mean by that that we do not give some training to any appointee, and especially one who has had no particular experience, because we do. We do our best to see that they get familiar with the problems through contact with other magistrates and through supervision by other magistrates. That, of course, is readily available in an area like Metropolitan Toronto where they have a senior magistrate, and in some of the larger centres.

It is on that basis that we have been discussing this policy, and I feel that it should be continued. I think it is a tendency in the right direction.

Mr. MacDonald: Mr. Speaker, arising out of the statement of the hon. Attorney-General, I wonder if I might ask him a question. He stated that after a two-year probationary period, if that is the correct term, they get the same tenure of office—security of office, presumably—even though they remain a deputy magistrate. But am I not correct, for example, they do not go on a pension basis?

Hon. Mr. Roberts: Oh, yes.

Mr. MacDonald: They are on the civil service superannuation?

Hon. Mr. Roberts: No, the whole magistrates' service is on the same basis as to pension as the civil service.

Mr. MacDonald: Is a magistrate not on the same basis as a judge with pension?

Hon. Mr. Roberts: No, the magistrates' pensions are under our general pension scheme of the civil service.

Motion agreed to; second reading of the bill.

THE BAILIFFS ACT, 1960-1961

Hon. Mr. Roberts moves second reading of Bill No. 39, "The Bailiffs Act, 1960-1961."

He said: This bill, Mr. Speaker, I would ask to go to legal bills committee for general discussion and consideration. In introducing the bill, I should give a short explanation.

I would point out that it is a rewriting of the bill; that it will give considerably more control over the appointment and the actions of the bailiff; will require bonding of them and have provision for their appointment to a county and the expansion of that appointment.

In the first instance, I should say the appointment will be by the Lieutenant-Governor in council, on certain recommendations as set out in the Act, to a specific county. Then, if the bailiff is seeking jurisdiction in other counties, he will have to obtain the approval of the judge in each of those other counties in which he wishes to operate.

Generally speaking, there is provision for supervision, for examination and for investigation; and for dealing with complaints and with removal—with a procedure set up for removal—that would bring the man in that position before a county court judge for proper determination of quality, qualifications and the actual removal.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I would like to know from the hon. Attorney-General whether this will be going before the legal bills committee where we can ask questions in the discussion itself.

Hon. Mr. Roberts: Oh, yes, quite so.

Mr. Belanger: Thank you very much.

Motion agreed to; second reading of the bill.

THE ALCOHOLISM RESEARCH FOUNDATION ACT, 1949

Hon. M. B. Dymond moves second reading of Bill No. 40, "An Act to amend The Alcoholism Research Foundation Act, 1949."

He said: This is a very brief amendment.

It is to permit the alcoholism research foundation to extend its efforts into drug addiction research. It also provides for a change in name. The name proposed is the alcoholism and drug addiction research foundation.

Motion agreed to; second reading of the bill.

THE PETTY TRESPASS ACT

Hon. Mr. Roberts moves second reading of Bill No. 43, "An Act to amend The Petty Trespass Act."

He said: Mr. Speaker, on introducing the bill I think I gave pretty much the explanation required. It is a short bill and will go to legal bills committee.

Motion agreed to; second reading of the bill.

THE VITAL STATISTICS ACT

Hon. Mr. Yaremko moves second reading of Bill No. 45, "An Act to amend The Vital Statistics Act."

He said: Mr. Speaker, I notice it is not in the bill book, and I am going to ask that this specific bill be referred to the legal bills committee. Parts of it are of a rather technical nature. In the legal bills committee there will be ample opportunity to consider it in detail, when the assistant registrar-general will be present.

Mr. H. C. Nixon (Brant): Can the hon. Minister give us some idea of what is contained in this mythical bill which we have not seen?

Hon. Mr. Yaremko: I would be delighted to. It is in reference to registrations of births. I shall let it stand over until the bill is printed because it is of a technical nature. It will be easier to follow if we have the bill before us.

Clerk of the House: Motion stands.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to; House in committee of the whole, Mr. W. E. Johnston in the chair.

PORT ARTHUR YM-YWCA

House in committee on Bill No. Pr8, An Act respecting the Port Arthur YM-YWCA.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr8 reported.

TOWN OF RICHMOND HILL

House in committee on Bill No. Pr12, An Act respecting the town of Richmond Hill.

Sections 1 to 5, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. Pr12 reported.

TOWN OF ARNPRIOR

House in committee on Bill No. Pr14, An Act respecting the town of Arnprior.

On section 1.

Mr. D. C. MacDonald (York South): I do not propose to go into all of this bill, but there are a few comments I should like to make because it is the final chapter in a rather sorry story.

This bill came before the House last year and was referred back to the committee.

Hon. L. M. Frost (Prime Minister): Could this particular bill stand over? I find I have to go out for a few minutes and I would like to hear what is said in connection with it.

There are a few orders here and, if any of them are matters of contention they might stand over, but if they are routine it is all right. I will call that bill when the hon. member for York South is in the House.

Bill No. Pr14 held.

TOWN OF LEASIDE

House in committee on Bill No. Pr29, An Act respecting the town of Leaside.

Mr. K. Bryden (Woodbine): I would like to raise some matters with regard to section 2 of that bill; I do not know if it is desired that it stand over.

Bill No. Pr29 held.

BOARD OF TRUSTEES, ROMAN CATHOLIC SEPARATE SCHOOL PORT COLBORNE

House in committee on Bill No. Pr3, An Act respecting the board of trustees of the Roman Catholic separate school for the town of Port Colborne.

Sections 1 to 11, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr3 reported.

THE FOREST FIRES PREVENTION ACT

House in committee on Bill No. 26, An Act to amend The Forest Fires Prevention Act.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 26 reported.

THE ONTARIO NORTHLAND TRANSPORTATION COMMISSION ACT

House in committee on Bill No. 28, An Act to amend the Ontario Northland Transportation Commission Act.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 28 reported.

THE RESEARCH FOUNDATION ACT, 1944

House in committee on Bill No. 29, An Act to amend The Research Foundation Act, 1944.

Sections 1 to 3, inclusive, agreed to.

Bill No. 29 reported.

THE BILLS OF SALE AND CHATTEL MORTGAGES ACT

House in committee on Bill No. 30, An Act to amend The Bills of Sales and Chattel Mortgages Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 30 reported.

THE COUNTY JUDGES ACT

House in committee on Bill No. 31, An Act to amend The County Judges Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 31 reported.

THE CORONERS ACT

House in committee on Bill No. 33, An Act to amend The Coroners Act.

Sections 1 to 16, inclusive, agreed to.

Bill No. 33 reported.

Hon. A. K. Roberts moves that the committee rise and report certain bills without amendment, and ask for leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment, and asks for leave to sit again.

Report agreed to.

The House resumed, Mr. Speaker in the chair.

SPEECH FROM THE THRONE

Mr. C. E. Janes (Lambton East): Mr. Speaker, I prepared this speech for the last fall session and did not get an opportunity to deliver it so the hon. members will have to take it now. Some of it may be a little stale.

I want first to say, Mr. Speaker, what a pleasure it is to work under your direction, and I want to congratulate you on the very fair rulings you make in controlling this chamber which sometimes becomes rather like a group of schoolboys.

Also, I want to congratulate the two hon. members who were the mover and seconder of the motion of thanks in reply to the speech from the Throne (Mr. Gomme and Mr. Evans). I was sorry that the new hon. member for Timiskaming (Mr. Hoffman) was not able to take the part originally intended for him and present that speech. The old saying is that a substitute is a poor imitation of the real article, but I think if the real article was any better than the substitute we had, the real article would be worth hearing from. I look forward to hearing from him in the future.

I had intended, Mr. Speaker, in following the hon. member for Kent West (Mr. Parry), to say a few words regarding the sugar beet industry. I think I will still say something on it because it is a very important industry to southwestern Ontario.

I understand that the delegations have been quite successful in dealing with Ottawa. We certainly want to thank the hon. Minister of Agriculture of this province (Mr. Goodfellow) for the great interest he has taken in assisting the sugar beet growers in getting some action to assist them in their production of sugar beets.

Sugar beets are a special crop that require a tremendous amount of expensive machinery to harvest and expensive machinery to plant, and require a lot of hand work, which make them a very expensive crop.

If anything happens to the sugar beet industry it would leave our farmers who are growing sugar beets with many thousands of dollars' worth of machinery which would

be useless for anything else. It would also leave the people of Ontario and Canada in a very precarious situation in case of war, as we experienced once before.

Also, our sugar beet crop is about the only freight the railroads are getting from the farmers any more. Sugar beets do provide a tremendous amount of freight to the railroads, and goodness knows they need it.

Since the completion of the St. Lawrence seaway, it has made it that much more difficult to grow sugar beets in southwestern Ontario because the freight rates are lowered on the sugar coming in. That makes it that much harder for the farmers to compete in sugar beets.

I think we are the only country in the world without a sugar policy, and I think it is time there was one established in Canada to protect the growers of sugar beets and the consumers of sugar. Sugar is one of our main foods. Without sugar it would be very difficult for us to exist.

I am somewhat worried about the railroad situation, Mr. Speaker. The leader of the railroad union has definitely asserted he is calling a strike again when the fixed time is up. I believe it is up May 1. Without doubt, in our area the railroads lost a tremendous portion of their business over the last strike and I can see the situation coming, if another strike is called and the railroads are closed off for another few weeks, that they might as well take the tracks up through our country, because they will lose the business entirely.

We had many industries during the last strike which found out that they could use road transport. I am thinking of one industry that employs about 125 people in one of my towns.

They had been shipping by railroad over the years, shipping a lot of goods to Montreal. When the railroads were closed down, they had to go by motor transport. They found the truck transport would load up and deliver their goods in Montreal the same day, saving them a lot of money and making it possible for them to guarantee delivery. All in all, they found it much more satisfactory than the railroad.

The result was that the railroads never got that business back, and they had been shipping a great number of carloads of freight.

That is true also of the cattlemen. They have found they can get so much better service from the truck transports than they got from the railroad. In many instances

they did not find it out till the railroads went on strike and closed down.

So I would say, without hesitation, that the railroads have lost the shipping of cattle from southwestern Ontario for all time. It would be a very sorry situation if another strike is called and they lose a further share of the freight.

Mr. Speaker, we had a peculiar demonstration here a week ago by some of the ladies around Toronto who mixed margarine out on the steps in front of the Parliament buildings when it was below zero. What could be sillier than a group of women sitting out there in below zero weather and trying to mix colour into margarine?

That is a demonstration of something that never takes place. When they mix colour in margarine, if they must do it, they mix it in the house where the margarine is warm and it is not difficult to mix, but why—

Mr. R. Gisborn (Wentworth East): Has the hon. member ever seen them standing outside the unemployment insurance office?

Mr. Janes: Why do they want to colour margarine the colour of butter? The colour of butter is the natural colour of butter. It is true that when the cattle and cows have had to pasture in a dry feed, one does add a little colour to butter to bring it to the right colour. If they want to colour margarine green or red or anything else, we are quite agreeable to them colouring it. But they must not colour it the colour of butter. Our farm producers are having enough difficulties existing now without having to meet coloured margarine. There is no hesitation in people buying white cheese and using it. Some prefer it. Why cannot they use white margarine? It is all nonsense.

Mr. F. R. Oliver (Grey South): Put the pressure on, Zeb. We are with you.

Mr. Janes: Thanks. I have somebody with me apparently.

I was very happy, Mr. Speaker, with the announcement from the hon. Minister of Commerce and Development (Mr. Nickle) on the appointment of Mr. R. H. Stapleford who is coming back to his department as Deputy. I have known Mr. Stapleford for a great many years. He comes from my area.

As a matter of fact, I had the pleasure of recommending him for the appointment he has in England. He has done an excellent job, he is a very fine gentleman, and I am sure we will be very proud of him in The Department of Commerce and Development

in the government of Ontario. So I want to thank the hon. Minister for his good judgment in appointing R. H. Stapleford to his department.

I would like to say a word about the Ontario telephone commission. I want to thank the hon. Minister of Agriculture, who represents the telephone commission, for the various co-operative ways in which he is working with the independent telephone companies.

I had the pleasure of being at the convention last fall and hearing some outsiders from Quebec telling companies in Ontario how fortunate they were in having a government and a Minister who took some interest in them. I think it is nothing but fair I should say thanks on their behalf to the hon. Minister.

Also I wish to thank our hon. Minister of Energy Resources (Mr. Macaulay), who is vice-chairman of Hydro. I have had a great deal of work done by the hon. Minister of Energy Resources. Over the years, as many hon. members know, I have had many, many problems on gas and oil in my area and it is quite satisfying to have an hon. Minister who takes such an interest in the problem.

I would also like to include the former Minister of Lands and Forests, under whose department this was administered previously. He was the first Minister I got to take an interest in my problems.

I want to thank the hon. Minister of Energy Resources for the support we have been getting on our Hydro problem.

The big trouble we seem to have had with our vice-chairmen at Hydro, is that they get whitewashed or brainwashed or something by the people up in that golden tower and they cannot see anything wrong with anything Hydro does. I find they are not able to brainwash the present hon. Minister. Working with him, I finally got an arbitration board appointed which will hear the complaints of the farmers dealing with hydro lines. Goodness knows, we need it.

Over the years we have had, all across the province, many, many problems with independent actions of Hydro in installing hydro lines. They seem to care nothing for other people's property. In just these last couple of days, I have had some complaints. They went into a man's bush and cut down trees. It was good timber, trees 30 inches in diameter, and they cut them all up in odd lengths so he cannot sell them at all. A complete waste.

Why any group of men would go into a person's bush and do that kind of thing I

cannot understand. But under the present set-up, the farmers and property owners can take the complaint to the arbitration board. I hope they can get some justice.

I have another problem that I want to bring before the House: companies operating in Ontario with a federal charter. I am hoping that some action can be taken by this government to bring those companies under provincial legislation. I am thinking particularly of the Trans-Canada Pipe Lines Limited, Interprovincial Pipe Line Company, and all those companies with a federal charter.

The interprovincial pipe line passes across southwestern Ontario and right through to Toronto. The company will not co-operate in any way in farm drainage.

So far, only one incident has occurred where a municipal drain crossed the pipe line. They have blocked it and made the farmers in that area put out a considerable amount of extra money in order to cross the pipe line. That is only one instance.

I have been looking for it any day because there are municipal drains crossing that pipe line all through my area and I can see plenty of trouble ahead of us. I can see no reason why they should not comply with Ontario regulations. It is a strange thing—I do not know what happened.

I have a report here which the hon. federal member for Middlesex West (Mr. Thomas) made to the House of Commons. I have been working with him these last several months on this problem. In investigating a situation, he finds that when this bill, or legislation, was going through they were copying the railroad legislation and the railroad legislation makes railroads responsible for drainage—the assessment on drainage—for excess costs in this regard.

But it must have been a pretty stiff lobby in the former government in Ottawa when they took that section out of this Act and made these pipe lines not responsible for the excess cost. I think some pressure should be put on the Ottawa government by this government to have that section put back in again.

There is another problem that we are facing. Our labour unions, with the support of some sections of industry, are asking all the time that certain things be done to prevent automobiles and electric equipment and all these things that are produced outside Canada from coming in. They succeeded last fall in having the duty raised on cars, which has already affected the sale of farm products to Great Britain.

Great Britain is the best market we have

for farm produce, and there has already been a cutback in the farm produce going to Britain as a result of the extra duty on cars, because of industry there not having money with which to buy our products.

Further than that, we have the electric equipment manufacturers pleading to have the electric equipment coming from Japan shut out of this country. Japan is the second best produce market the farmers have. Where are we going to end up?

This New Party that is coming out is supposed to represent both farmers and labour. I was rather interested in reading here a while ago where the farmers in Saskatchewan had given their support to this New Party. Now, they are trying to ship some wheat out of Vancouver and they called a strike and the wheat lay there for months. They could not get it shipped at all. Many of them lost a lot of money. I understand they have changed their minds already about supporting the New Party.

Mr. D. C. MacDonald (York South): Propaganda!

Mr. Janes: I am absolutely right and the hon. member knows it.

I want to say a little bit on the water situation in the province of Ontario. South-western Ontario is getting into rather a desperate situation for water. Last year, our rainfall was 6.5 inches less than normal. I think many things can be done to help it out. My closest town pumps water from deep wells, and a few years ago the water table was going down. They had a gravel pit about a mile and a half from the wells they were pumping. They went to this pit and put down 3 holes, and ran water into them, back into the earth again, and they brought the water table up to normal.

Another town, over the years, has been pumping water out of the river. This river is very roily. They pumped that water out, filtered it, purified it and pumped it back again and used it for years. But they pumped so much clay in that it filled up the rock and sand down below, and it would not take water any more. They had to put in a large filtering plant, which cost them about \$200,000, to get the water purified. There is no question in the world that if they had put some type of filter on that water before they put it into this well, they could have still been pumping it out of the ground.

I have seen two areas where it was difficult to get drainage. They bored a hole and ran the water into the ground and drained those areas that way.

It seems to me something can be done. A lot of this water is rushing off. I estimate 50 per cent of our rainfall rushes off and is wasted. I feel we are going to have to have more dams and have that water held. Possibly excess surface water can be put back into the ground to bring up the water table.

I was told the other day of one farmer who has paid \$100 a week to have water hauled. Now, a great deal of that can be avoided by establishing farm ponds. One neighbour of mine, who is hauling water for his cattle now, is going to put a pond down near the barn, and filter that over into the well where his pressure system is. This water is good for household use as long as it is filtered.

In Saskatchewan, under the federal Prairie Farm Rehabilitation Act programme, there are about 66,000 ponds in use, and hundreds of people living there have only pond water to use. They are using it domestically and for everything. The way the water is going down in Ontario, we are going to be doing that as well. I think anything that can be done by this government to improve the water supply should be supported.

We recently had a river that covers about two-thirds of my area come under The River Authorities Act. They are just getting organized, and I am hoping they will be able to take action and get some water-holding areas. The situation is very serious. There are several hundred farmers who are hauling water in Lambton county; I think I am quite safe in saying that. There are quite a number of tanks used for nothing but to haul water 24 hours a day. The last I heard from them they were 48 hours behind. So the hon. members can see just how serious the situation is.

I want to say how pleased I am that night racing has been opened up to the public. I have been putting a great deal of work on this over the years, and I can tell the House that the price of racehorses has gone up very considerably. I am told that it has gone up \$500 each horse since that announcement was made in the House.

Mr. Speaker, if I may carry on for another 5 minutes, we were very greatly interested in reading the speeches of the hon. federal Minister of Agriculture (Mr. F. A. G. Hamilton) in Ottawa. His suggestion to reforest a number of areas—put them back into forests—interested me, because a committee of which I was a member in 1949 made the same recommendation. We recommended, I think, that 56 square miles of Ontario should be reforested.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, if the hon. member intends to continue at any length, I would suggest that he adjourn the debate.

Mr. Janes moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Roberts: Before moving the adjournment of the House, I would point out that the estimates of The Department of the Provincial Secretary and Citizenship will be before the House. There may be a continuation of the Throne debate and possibly some bills.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I understood we would have the estimates of The Department of Transport tomorrow.

Hon. Mr. Roberts: Mr. Speaker, subject to correction, I understand that tomorrow it is the estimates of The Department of the Provincial Secretary and Citizenship and on Thursday the estimates of The Department of Transport. However, I may be wrong on that.

Mr. Wintermeyer: Oh well, Mr. Speaker, no! This is not a frivolous question—

Hon. Mr. Roberts: I said The Department of the Provincial Secretary and Citizenship. If I am wrong in that, I will have to be corrected, but that is the information I have.

Mr. Wintermeyer: Well, the hon. Prime Minister (Mr. Frost) made his announcement, Mr. Speaker, earlier this afternoon.

An hon. member: The hon. Prime Minister or the hon. Attorney-General?

Mr. Speaker: Order.

Mr. Wintermeyer: Mr. Speaker, we should know definitely what the government—

Mr. D. C. MacDonald (York South): The Opposition is entitled to know what estimates are coming before the House tomorrow.

Mr. Speaker: The statement has been made with regard to them.

An hon. member: What is it? We have two statements.

Mr. Speaker: I presume that the last statement would be the correct one.

Mr. Wintermeyer: Mr. Speaker, do more than presume!

Hon. Mr. Roberts: It is the intention of the House to proceed with the estimates of The Department of the Provincial Secretary and Citizenship tomorrow. I made that statement when I got up before, and I repeat it now for the benefit of those hon. members who are not hearing too well.

Mr. MacDonald: Is there any clarification as to whether there will be a night session tomorrow? Fifty hon. members of this House have been invited to the milk co-ordinating board banquet—all the hon. members of the agricultural committee.

Hon. Mr. Roberts: I presume the hon. member was in the House when the hon. Prime Minister said he would give the matter consideration, but that until he made a further statement his announcement that there would be a night session tomorrow would stand, and that is the situation at this moment.

Hon. Mr. Roberts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.05 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, February 7, 1961

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 7, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome, as our guests, students from the following schools: in the east gallery, Fern Avenue senior school, Toronto, and the A. A. Martin junior high school, Port Credit; and in the west gallery Wexford public school, Scarborough, and Fonthill public school, Fonthill. We also have the executives of the Ontario junior chamber of commerce, and in the Speaker's gallery we have the Ontario Indian advisory committee and chiefs of various Indian bands in Ontario.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's sixth report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill No. Pr31, An Act respecting the county of Ontario.

Your committee begs to report the following bill with certain amendments:

Bill No. Pr44, An Act respecting the city of Belleville.

Mr. Speaker: Motions.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I move that when this House adjourns the present sitting thereof it do stand adjourned until 3 o'clock on Thursday afternoon.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE NURSING ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Nursing Act."

Motion agreed to; first reading of the bill.

Mr. J. J. Wintermeyer (Leader of the Opposition): Would the hon. Minister make an explanation in spite of the fact that it is not absolutely essential on first reading?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, this bill is designed to make it possible for us to give recognition to a certain group of people who have had training of one sort or another but who, since the introduction of The Hospital Services Act, are not being considered as nurses. This will permit the nursing branch to recognize them either with or without examination, depending on the training they have had. It is sort of an umbrella clause to cover certain people and include them in the nursing assistants' group.

Hon. Mr. Frost: Before the orders of the day, may I speak about the representatives of the Indians who are present with us here this afternoon? In making these remarks I would like to include my fellow-chieftain the hon. member for Brant (Mr. Nixon) in what I may say, because he is an Indian chief of the Mohawk tribe.

It is a very great pleasure to welcome here two very distinguished Indian citizens whom I am going to ask to rise in a moment. These gentlemen are here today with a very large and important representation from the various Indian tribes in Ontario, about which I shall speak. These ladies and gentlemen form the advisory council which is convened here from time to time by The Department of Public Welfare.

It is a very great pleasure to welcome to this assembly the hon. Senator James Gladstone from Alberta. Senator Gladstone is of the Blackfoot tribe; he is a rancher and farmer in Alberta and one who has made a very great contribution to Indian welfare.

If I understand correctly, in Alberta and

in some of the other provinces our Indian citizens have no vote. But in this province, due to an enactment of a number of years ago, they are enabled to vote and have full status in every way as citizens of this province—and in addition to that, of course, their treaty rights are preserved.

With Senator Gladstone is a person very well known to many of us in the House, Chief Elliott Moses of the Brantford reservation, a Delaware by birth.

Among this distinguished gathering we have in the gallery representatives from the Six Nations reservation; these people came from the great Iroquois lineage, people who came to this province in the days of the American revolution and helped us to preserve the independence of this country and this province.

Mr. Speaker, it is a very great pleasure to pay tribute to the Six Nations confederacy now centred principally at Deseronto, in Hastings county, on the great reservation at Ohsweken and in the county of Brant.

In addition to that, sir, we have representatives of the Walpole Island band of Poutouatamies, tribes which had a great deal to do with the beginnings of the Windsor area. Extensive mention is made of them in the work which was presented to this House last fall, the work by Father Lajeunesse in connection with the Windsor area. These people in their day have engaged in many things; among them, of course, were the wars of Pontiac, and many things which greatly affected the settlement and the development of this continent.

Then we have the Ojibways, tribes which are centred in Parry Sound and Christian Island. Chief Jackson, a very well-known personality, is here from Christian Island. These good people are, of course, located in many parts of Ontario, including the Kawartha area, and on Lake Couchiching.

I would say that it is a very great pleasure to have them here. They are making a very worthwhile contribution to the cause of human rights in their devotion to the problems of the 30,000 or more Indian citizens we have in this province; people of very great talent and ability; people who in many ways have not had the opportunities which they should have had in this province of ours, or in our country.

But I think that, in this age in which we live, these things are being recognized and these great people are going to have the opportunity of availing themselves of the full opportunities of this country with citizenship and all of the attendant responsibilities.

In addition, sir, they are preserving the proud rights they have of being members of these great people who have contributed mightily to this great country and to its development.

In asking Senator Gladstone to rise, I again make reference to his own great contribution to the betterment of his people and to our Indian citizens in Canada. Senator Gladstone, will you please rise?

I may say, sir, that from among the representatives of the Six Nations people I would like to introduce to this House another gentleman, and in so doing to acknowledge the work of all these good people from the various tribes and various nations which sit in our gallery.

Mr. Elliott Moses is a very distinguished citizen of this province. He himself is a Delaware, one of the small tribes, I think, of the Six Nations. But small though it is, it is nonetheless important. I am very glad to introduce Mr. Moses, and if he would stand up it would give the House great pleasure.

Mr. Speaker, in connection with tomorrow, I would remind the House that, with the adjournment today, the House will be proceeding with committee work tomorrow. We will be dealing with the matter of the Ontario hospital services commission.

I should particularly like to announce that a week from tomorrow the committee on portable pensions will be available to make a report to the hon. members of this House in committee. This committee to date has consisted of: Professor D. C. MacGregor, professor of political economy at the university of Toronto, and Mr. G. E. Gathercole, who are the joint chairmen; Professor Robert M. Clarke, professor of economics at the university of British Columbia, and the commissioner who studied these matters for the federal government in the last two or three years; Mr. R. E. G. Davis, executive director of the Canadian welfare council; Professor C. E. Hendry, director of the school of social work at the university of Toronto; and Mr. J. A. Tuck, general counsel of the Canadian life insurance officers association.

It is proposed to table here next Monday a statement of the committee's work and studies to date, that will enable hon. members of the House to read over this statement and I think it will lead to a fuller discussion of these problems on the Wednesday following.

Arising out of that, I put forward this suggestion: It might be considered desirable to appoint a select committee of the House to go into the matter. But I do not make any formal proposal until hon. members have

had the opportunity of discussing it with the gentlemen on this committee who, I think it will be agreed, are probably as expert and as knowledgeable in these matters as any committee we could get together.

If there are some questions on that, sir, I would be glad to attempt to answer them, although I believe what I have said is quite clear.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the annual report of the Ontario research foundation for the calendar year 1959.

Hon. Mr. Frost: Mr. Speaker, might I say in connection with these proceedings that I greatly regret that there was a misunderstanding about the order of business today. I think it has been cleared up for the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. member for York South (Mr. MacDonald), but I hasten to say that, having heard what took place, I hearken back to the words of General Lee at Gettysburg, who said: "It was all my fault."

I am very glad to say that such was the case. What happened was this: I had discussed the matter with the hon. Attorney-General (Mr. Roberts). Since I did not expect to be back from Dr. Dunlop's funeral until after 4 o'clock, I discussed with him the matter of having The Department of the Provincial Secretary and Citizenship go on today and the other department on Thursday. But in the meantime I found out that the hon. Minister of Transport (Mr. Rowntree) had made arrangements for certain public meetings on matters relating to transport, and that it was more convenient to put it on on Tuesday. I announced that yesterday, but apparently my words were lost. I regret that I did not make it plainer.

In connection with this evening, there was a question raised by the hon. member for Bruce (Mr. Whicher) relating to a banquet of which I was not aware. I have discussed that also with the hon. leaders opposite and have made this proposal which I think should work out satisfactorily. Tonight we adjourn at 5.45 p.m. and reassemble at 8.15 p.m., with the understanding, of course, that if there are hon. members of the committee on agriculture who are unable to get here we will understand; and those of us who are not engaged directly in agriculture will try to hold the fort in the meantime. That should be a satisfactory solution.

Mr. D. C. MacDonald (York South): I would like to ask the hon. Prime Minister

two questions in regard to the order of business. First, has he specific items to be considered in the night session following the estimates of The Department of Transport?

Hon. Mr. Frost: Only Throne debate.

Mr. MacDonald: Only Throne debate?

Hon. Mr. Frost: That is right. I should not say "only," but I say that because it is simply Throne debate.

Mr. MacDonald: The other question, Mr. Speaker, that I want to ask the hon. Prime Minister is this:

On a number of occasions he has made reports to the House on one of the major items of consultation and discussion on the federal-provincial level—namely, fiscal policy. But there is another item under discussion at that level now, namely, the very complex issue of how we amend the Canadian Constitution. As I understand it from the news reports, something of an impasse has developed because of quite a variety of views.

I wonder if the hon. Prime Minister has given any thought to assigning a specific occasion when this might be a topic of debate in this Legislature? It could come under the estimates of The Department of the Attorney-General, but I think it would crowd out the issue as far as his estimates are concerned. In my view, it would be an appropriate topic for a specific debate on a specific day.

Hon. Mr. Frost: In connection with that matter, more progress is being made than may be apparent at the moment. I think the solution may not be too far removed.

However, I would be very glad to give consideration to the matter of a discussion on that point. Let us wait and see how things crystallize. If that appears to be the thing to do, then I think I would be glad to accede.

I say to the hon. member that, in connection with a debate, I would not want to do anything that would make it more difficult to arrive at a conclusion; and I am sure he would not and the hon. members of this House would not. Involved in the matter, as must be apparent over the years, are some balances that are sometimes delicate, sometimes a little difficult to overcome. With the reservation that I would not want to do anything to set back those deliberations, I would be willing. Perhaps it might be desirable to hold a discussion on the matter.

I want to make plain that my own feeling

—and that of my hon. colleagues—is overwhelmingly that we should be able to amend the Constitution here in Canada. I certainly hope that we shall be able to reach agreement on that subject.

Hon. C. Daley (Minister of Labour): Mr. Speaker, before the orders of the day, I rise to point out an error in the printing on this order paper regarding Bill No. 25. As I said on second reading, this bill will go to the committee on labour. I have just observed that it is printed here as for the House in committee. So I would move that this order be discharged and that this bill be referred to the committee on labour.

Motion agreed to.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, before the orders of the day, I should like to make an informative statement concerning Elliot Lake, which is within the time limit I set a couple of weeks ago.

The announcement in the latter part of 1959 of no extension of contracts with the uranium mines at Elliot Lake was countered by a “stretch-out” policy in production which had the effect of closing down some of the mines. The resulting lay-offs reduced the population in the municipality from 25,000 to approximately 15,000 in the latter part of 1960. Taken by itself, this reduction in population was serious but not critical. Obviously the retail outlets for a population of 25,000 people were too numerous to be supported by 60 per cent of that population.

In consequence, some of the merchantable enterprises were forced to close. As a result of this, certain persons in the commercial group who had enjoyed the tremendous boom in the construction years, and who, undoubtedly, had financed on a short-term basis, adopted an air of pessimism which has provoked wide publicity.

The houses in Elliot Lake are all good quality homes, built to conform to the standards prescribed by the municipality. The annual average tax on these homes is \$273. At the present time, approximately 300 housing units in the townsite are vacant. This constitutes 15 per cent of the approximate housing units in the townsite.

At the same time there are over 1,000 trailers in the area, most providing residence facilities for families; 729 of these trailers are at the minesite. It is expected that the families in trailers will ultimately occupy houses in the townsite since it would be more advantageous for them, as well as economical for the municipality in the provision of the

municipal and school services such families need.

In an effort to fit to the resulting new economic situation, the 1960 budget of the municipality was adjusted wherever possible to ensure that municipal services were on the most appropriate basis. The operating expenses were reduced by 7.5 per cent of those of the year 1959, but at the same time municipal services were maintained at a good standard.

It was not possible to reduce the annual debt charges which amount to 47 per cent of the total 1960 actual expenditures. However, a detailed study and analysis of the capital debt position of the municipality was made during the latter part of 1960.

In the year 1958, the province loaned \$650,000; for 1959, \$557,000; and for 1960, \$670,000—a 3-year total of \$1,877,000 which was used in its entirety to assist in meeting the current operations, including the payment of debt charges. A rate of interest on these borrowings was charged equivalent to that of the Ontario municipal improvement corporation rates.

It is with great pleasure that I now announce to the House that the government has decided to assist the current operations of Elliot Lake by continuing to provide such funds, but on a basis more favourable to the municipality.

In each of the past 3 years, the decision to assist was determined in each year. We now advise that assistance is determined for the 4-year period of 1961, 1962, 1963 and 1964. The 1964 termination date of today's decision was determined in view of the fact that the present-day structure calls for a considerable reduction in the presently contracted debenture charges in that year.

The funds to be loaned by the province under this new policy will be interest-free.

The determination of the amount for each of these 4 years—1961, 1962, 1963 and 1964—will be based on the maintaining of the tax base on residential assessment of the year 1960.

The 1961 amount will approximate \$1,132,000, which will be repaid to the province in the years 1965, 1966 and 1967. For 1962 and 1963, the amounts are approximately the same as for 1961, but the repayment of the 1962 borrowing without interest will not commence until the 1961 borrowing has been repaid, and the 1962 advance to Elliot Lake will be repaid in the years 1968, 1969 and 1970. The 1963 amount, similarly, will be repaid in 1971, 1972 and 1973. The estimated 1964 borrowing is expected to be

\$976,000, and it will be repaid in 1974, 1975 and 1976.

As the hon. members can see, this interest-free refinancing of existing debt repayment will permit the operation of Elliott Lake on its present basis and provide the funds to meet contracted debt charges without increasing municipal taxation beyond the 1960 level. Since these advances are made without any interest charges, it is expected that their repayment will not create any further financial strain.

I am sure the House will agree that this demonstrates that the province has every confidence in the continuance of Elliot Lake with the future of uranium upon which this municipality exists. It is felt that this policy will provide the residents of Elliot Lake with the evidence of the assurance of this government to see to it that a good standard of community life is provided and continued.

Mr. A. J. Reaume (Essex North): Mr. Speaker, this is fine, but I was just wondering, inasmuch as the faulty planning of the province was at least partly responsible for getting the people of Elliot Lake in the terrible mess that they are now in, would there not be any chance of the province taking over a portion of the debt? It is all right to help them out.

Hon. Mr. Warrender: Well, Mr. Speaker, the hon. member starts out with a completely false premise that we did faulty planning.

Mr. Reaume: There is no question about it.

Hon. Mr. Warrender: I would like to point out to the hon. member—

An hon. member: Sure.

Mr. Reaume: Sure what? Sure what? The hon. member is always so sure of everything. I remember—

Hon. Mr. Warrender: When the hon. member is finished I will answer his question:

Mr. Reaume: Well, all the hon. members over there are talking.

Mr. Speaker: Order, order.

Mr. Reaume: Well, we will say something about it after awhile—often, too.

Hon. Mr. Frost: Mr. Speaker—

Mr. Wintermeyer: Just a minute, Mr. Speaker, I have a question.

I would like to direct a question to the

hon. Minister of Municipal Affairs in conjunction with this. I believe it was as a result of a question that the hon. Minister made this reply.

The specific question that was asked related to moratoria re mortgages and the question was whether or not this government has any intention of invoking a moratorium on private mortgages. That is what precipitated this.

My question is simply this: Does the government have any intention of meeting the problem by invoking a moratorium on mortgages in the Elliot Lake district?

Hon. Mr. Frost: These mortgages are all National Housing Act mortgages. They have been advanced 75 per cent and better by the federal government. Unless the move emanated from the federal administration there could be very grave and serious difficulties with those matters.

Some of the hon. members of this House will recollect a number of years ago when a move was made by the government of the day, the Drew government, in connection with certain changes involving the fundamentals of these loans. The result was that Mr. Howe, who was then at the head of the department, immediately cancelled all National Housing Act loans in Ontario.

I think the hon. leader of the Opposition would agree that it would be a very serious matter if we were to legislate in that field without the partner who has advanced—and did advance in those days—75 per cent and more of those mortgages being completely in agreement.

These matters involve very great problems. I can assure the hon. leader of the Opposition, in answer to his question, that we would not have the slightest intention of introducing moratorium procedures which in the end might be not only detrimental to that area, but might be disastrous to the province of Ontario.

Mr. Wintermeyer: Well, Mr. Speaker, the hon. Prime Minister is often wont to say that he is a country lawyer. I am the same. But I would simply ask him to consider this elementary proposition.

It is my understanding the federal government guarantees these national housing loans. They are not the actual mortgagee. Mr. Speaker, I suggest that from a technical legal point this government has as much right to interfere in this type of mortgage as any other mortgage. I think this is just a red herring. The simple question is this: Is

the government prepared to really come to the assistance of these people?

What is happening up there is this. Young people are losing their homes and these homes are going to be sold; they are going to be sold over their heads. The 200 or more people who are gone are going to lose their life savings and this government has a chance of doing something and they can do it.

The hon. Prime Minister says that a moratorium in this area is going to disrupt the whole situation across the province. My question is this: Is he or is he not going to do anything?

Hon. Mr. Frost: I would say this to the hon. leader of the Opposition: We propose to do many things which will assure the future of Elliot Lake, its stability and its development and, as a matter of fact, assure its development as a uranium city. Certainly we would not be drawn into any unsound position which, instead of helping the development of that community, might have the very opposite effect.

Now, sir, I want to say—

Interjection by an hon. member.

Hon. Mr. Frost: Perhaps the hon. members would give notice of their questions.

Mr. Reaume: Just a moment, please, Mr. Speaker.

I do not know how it is that the hon. Prime Minister can stand there and speak whenever he wants to and the hon. members opposite him are ruled out of order. I asked a question.

Mr. Speaker: Order, order.

I would like to point out that, before the orders of the day, when statements are made, the members are permitted questions, but these questions are for the purpose of obtaining information and not for giving information.

Mr. Reaume: I want to ask a question.

Mr. Speaker: No, the member in the back row might have a question.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, the question I would like to ask, I hope, is for the purpose of getting information with respect to the situation—

Hon. Mr. Frost: Before the orders of the day, all this is out of order. This is not a matter of debate.

Mr. R. C. Edwards: I thought you had recognized me, Mr. Speaker.

Mr. Wintermeyer: The hon. Prime Minister only the other day, in explanation of this very situation, said that prolonged debate should be ruled out of order but questions should be quite in order. That is all we are doing, pursuing the very rule that the hon. Prime Minister set up.

Mr. MacDonald: Do not ask embarrassing questions or it comes to an end in a hurry.

Mr. R. C. Edwards: Mr. Speaker, the question I wish to ask is with respect to this mortgage situation which has just been mentioned. I should like to ask either the hon. Minister of Municipal Affairs or the hon. Prime Minister whether or not the mortgages which exist on the properties at Elliot Lake are those which were government insured and for which the people who borrowed the money paid an insurance fee to the government. I should like to know whether or not these mortgages come within this category. I am sure that they are familiar with the situation and that they would be able to give me that information.

Hon. Mr. Frost: That does not change the fundamentals of the matter at all.

An hon. member: Make up your minds, boys.

Another hon. member: He will not answer it, that is obvious. He will not answer it yes or no.

Mr. Reaume: Mr. Speaker, I would like to—

Interjection by an hon. member.

Mr. Reaume: The hon. Minister of Mines (Mr. Maloney) is all wound up like an 8-day clock today. I would like to ask a question of the hon. Prime Minister. Is he giving any thought to the province absorbing or writing off or taking over any portion of the capital debt of Elliot Lake?

Hon. Mr. Frost: I am very glad to answer that.

Mr. Reaume: I wish he would.

Hon. Mr. Frost: If the hon. member is so anxious to ask that question I would be very glad to answer it. I would say, sir, yes.

Let us take the background of this situation. The province, Mr. Speaker, by reason of urgings on the part of the then federal administration—

An hon. member: Do not blame them all the time.

Another hon. member: Of course, in this case.

Hon. Mr. Frost:—and also the international authorities involved in the highly important matter of producing uranium, entered into arrangements in Elliot Lake involving the advance of large sums of money to that community. Of course, it is our intention to see that Elliot Lake goes ahead with full opportunity. And I say this with great optimism. But if the situation is such that it indicates we should write off sums of debt—and large sums of debt—we will certainly come to this House and ask permission to do so.

After great deliberation we determined it would be better, in connection with this matter, to take the course we have adopted of relieving the municipality of the interest involved which really, as far as the present situation is concerned, has the effect the hon. member has indicated.

Of course, there is not the slightest good in asking the community of Elliot Lake for sums which are beyond its capacity to pay. As a matter of fact, at the present time, in the light of its debts and its obligations, the municipality might really be counted as being insolvent. That is why we are entering into this proposition at the present time.

I can assure the hon. member that we will not temporize. If the situation does not improve, as we are hopeful it will improve, amounts will have to be written off and we will come to this House and take that step when the occasion arises.

In the meantime, the position we have taken has that effect as far as the municipality is concerned.

We are looking at this situation realistically and, as the hon. member has said, we are taking steps which will ensure the tax rate remains at the 1960 level.

Of course, there are problems in that community, as the hon. members heard the hon. Minister say. There is a trailer colony in that area—I think consisting of about 1,000 trailers—and there are at the present time some 300 or 400 houses vacant.

Of course, the hon. member can readily see that the situation which faces us regarding Elliot Lake at the present time may correct itself. On the other hand, I can assure him that we are quite prepared to take the steps necessary to see that this municipality is solvent. At the present time, it is not. It

is virtually in receivership. Not actually in so many words, but in effect that is the situation.

Mr. Reaume: I just want to say one word, if I can. In 1960, the mill rate and the tax rate was far too high. It was beyond the ability of the people of that area to pay. Now there is here a Department of Economics. The government has experts—I see them running all over the place; there are thousands of them around here.

Hon. Mr. Frost: Oh, I would not say that.

Mr. Reaume: I think what the hon. Prime Minister ought to do or have his experts do—and his people over there seem to have all the experts in their employ or at least they submit that they have or they think they have. They have always said they have. I think this—

Interjections by several hon. members.

Mr. Speaker: Order, order.

I would point out once again that the question period has a definite place in the orders of the day. However, there is a different order which takes on the basis of argument and debate, and I am sure the member has ample opportunity to disclose the information he has during the course of the Throne speech debate or the budget debate.

Mr. E. Sopha (Sudbury): Mr. Speaker, I wonder if I might address a question to the hon. Prime Minister? May I inquire whether the hon. member for Algoma-Manitoulin (Mr. Fullerton) delivered to him a copy of the brief that I prepared a couple of weeks ago for submission to the hon. Minister of Public Works (Mr. Walker) at Ottawa, where I called upon the hon. Minister of Public Works asking him to make a new approach to the American government to ascertain whether they will renew these contracts for the purchase of uranium oxides and thus solve the problem of Elliot Lake?

Hon. Mr. Frost: Mr. Speaker, I beg at this time to table answers to question No. 4 and I also have the answers here to questions Nos. 5, 6, 7 and 8. But, on account of the bulk involved, I would ask they be made orders for return. I make that motion.

Motion agreed to.

Hon. Mr. Frost: I want to say to the House that this clears the order paper of all questions. That is not said by way of encouraging any of the hon. members opposite to ask

further questions, because I would point out that they involve a very great deal of work. But I cannot refrain from saying that, in no previous session at this time, has the order paper been cleared of questions. I thought it might be the time or the opportunity for hon. members of the Opposition to congratulate the government on accomplishing this.

Mr. MacDonald: I am glad to say that this is unprecedented and commendable. But may I remind the hon. Prime Minister there is one question from last year's order paper that has not yet been answered.

Hon. Mr. Frost: Mr. Speaker, I may say to the hon. member that I found that the question he refers to appears to have been answered. It was filed with the clerk a very considerable time ago and it is there for him to see. Is that the question that has to do with printing?

Mr. MacDonald: Yes.

Hon. Mr. Frost: It is filed, I am quite sure.

Mr. MacDonald: It is like some of the problems I have in my filing system; sometimes I file it and it gets lost. We have not heard anything of the answer.

Hon. Mr. Frost: I think the hon. member will find it is all there.

Mr. L. Troy (Nipissing): The answer to question No. 1, sir, where will I find that? It is supposed to be tabled.

Mr. Speaker: It is in last Friday's *Hansard*, I am informed.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day, I have a question on which I think I have complied with the rules and regulations. It is directed to the hon. Prime Minister.

According to press reports, Quebec's hon. Premier (Mr. Lesage) has asked the federal government for an explanation of its reference to a growth factor in federal payments to the province under the federal-provincial agreements.

Would the hon. Prime Minister advise this House if he has made an inquiry for an explanation of this same matter and, if so, what is the significance for Ontario of the information exchanged to date?

Hon. Mr. Frost: To the first part of the question of the hon. leader of the Opposition—"Would the Prime Minister advise this House if he has made an inquiry for an explanation of this matter?"—the answer is no.

The second part is: "If so, what is the significance for Ontario of the information exchanged to date?"

I would not say that it is a matter without significance, but I point out to my hon. friend that it is one which does not affect the budgetary position of this province for the reason that we do not receive any adjustment grants. The adjustment grants go to the other provinces.

The question arose this way: On the basis of the 1955 proposals which came into effect in 1957, the other provinces were adjusted—generally speaking, I am giving a general formula—to the Ontario collections on the basis of 9-10-50. I will not elaborate on the meaning of that because I think it is well known to the hon. members of this House. The other provinces were adjusted to the 9-10-50 formula as of that time.

The question asked by hon. Mr. Lesage, as I understand it, is this: In the proposals that were put forward by the federal government last July or last October—it was at least open to this interpretation—the federal government was freezing the amount at \$220 million which was the amount that was payable, I think, in this current year or the current year immediately preceding.

The Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) made it apparent in the letter which I read to this House that the equalization factor would be, as I understand it, accepted and discussed—but I am not using Rt. hon. Mr. Diefenbaker's words.

From our standpoint, our problem has not been in connection with equalization payments but in the number of percentage points, which we say are 50-50-50, to which we are entitled.

Therefore, there was nothing to be gained by our asking questions the other 9 provinces were bound to ask. They were the ones to ask the questions and the hon. Premier of Quebec very properly did so. We have not done so and I do not propose to do so.

As a matter of fact it was proposed at Ottawa, as my hon. friend knows, that the 10 provinces themselves might get together and discuss this item and come to an agreement. At the time of the conference I said I would be very glad to sit in with the other provinces but for what purpose I did not know. It was obvious that we were not going to receive anything from the adjustment grants which were being discussed and, other than the fact that perhaps the other 9 provinces would like our company, in which case we would be glad to sit in, we did not think there was much object in

our doing so. I also do not think there is much object in our asking any questions. I think the question asked by the hon. Premier of Quebec is a very proper one for him to ask. There are 9 others who will ask the same question; so perhaps we can be relieved on this occasion of getting into this matter.

Mr. Wintermeyer: Mr. Speaker, as a supplementary question, is the hon. Prime Minister saying that he is uninterested in the question of equalization?

Hon. Mr. Frost: Mr. Speaker, I did not say that at all.

Mr. Wintermeyer: Mr. Speaker, for years we have heard the argument that we are the milch cows for all of Canada.

Hon. Mr. Frost: Mr. Hepburn said that; I never said it.

Mr. Wintermeyer: Mr. Speaker, we have heard this argument time and again in this House; that Ontario is paying approximately 50 per cent of the total revenue from these several sources of taxation. And now, Mr. Speaker, my understanding of the very question that is being raised by the hon. Premier of Quebec relates to this very important factor we have discussed time and again in this House.

It amazes me that the hon. Prime Minister is not vitally interested in this question and I suggest that he should join with the other 9 provinces. If the other hon. Premiers get what they are asking for, I wonder whether or not that would be to our advantage here in Ontario.

Hon. Mr. Frost: I would say that my hon. friend is beginning to question whether or not equalization in grants is good. Of course the battle cry of his party and his leader that he supported in days gone by was that Ontario was the milch cow of the Dominion.

I have never taken that position, sir. I believe we are a Canadian province acting in concert and in partnership with the other provinces; I have never taken the reverse position.

As a matter of fact, I believe that equalization grants have to be reasonable and sensible and related to the economics of the country, and I am far from uninterested in them.

But I would say to my hon. friend that my interest is the interest of this province, which I think is an equal share of these tax deals. That is what I press for and that is what

I ask for. I do it on the basis which I outlined to this House the other day. The other provinces can ask questions to clarify the situation and these things can all be discussed on February 23 when the provinces meet with the federal government.

Mr. Reaume: Mr. Speaker, I wonder if I could ask a question?

Hon. Mr. Frost: If it is a question; do not make any speeches.

Mr. Reaume: No, I will not. I am just going to follow the hon. Prime Minister and his example.

There is a strong feeling about this province that there is now going on, or has been going on for quite some time, a private deal between our province and the hon. federal Minister of Finance (Mr. Fleming). My question is this, and I think we ought to know and the people of the province ought to know: Is there or is there not a private deal between the province and Ottawa?

Hon. A. K. Roberts (Attorney-General): The albatross is around the hon. member's neck.

Hon. Mr. Frost: I am very glad to answer my hon. friend's question. If he had been in his seat in this House he would have heard the answer to that question.

Mr. Wintermeyer: It is a different question.

Hon. Mr. Frost: It is not a different question. The suggestion was made by my hon. friend's running mate, hon. Paul Martin, who has a very elastic imagination, and I would say this—

Mr. Reaume: He has more brains in his foot than the hon. Prime Minister has in his head.

Hon. Mr. Frost: This was among his silliest of proposals—

Mr. Reaume: There is nothing silly about Paul. He will be here when hon. members opposite are all gone.

Interjections by several hon. members.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

House in committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF TRANSPORT

Hon. H. L. Rowntree (Minister of Transport): Mr. Chairman, today I have the honour and privilege of presenting, for the consideration of this House, the estimates of the Ontario Department of Transport for the fiscal year 1961-1962.

However, before I begin, I should like to remind the hon. members that The Department of Transport, although no longer the youngest of the departments, is only a little over 3.5 years old. This is important when we consider how fast this department has had to expand during these 3 years because of its commitments.

Since my appointment as Minister of Transport, only two short months ago, I have been in a better position to fully appreciate the enormous scope of this department, and the large and unending problems continually confronting it in regard to the administration of The Highway Traffic Act and other legislation.

It is therefore my intention, Mr. Chairman, to remind the hon. members of some of the important achievements of The Department of Transport, and the proposals we have for the forthcoming year.

If I may, I will reacquaint the hon. members with the work of the department.

In addition to administering The Highway Traffic Act and The Department of Transport Act, it is also responsible for the administration of The Public Commercial Vehicles Act, which is concerned with the rapid and ever-growing trucking industry; The Public Vehicles Act, which controls the operation of buses transporting people between communities; the federal statute, The Motor Vehicle Transport Act—binding on all provinces—which is concerned with inter-provincial traffic; and finally there is The Ontario Highway Transport Board Act which gives authority for the operations of the Ontario highway transport board, which in turn deals with all applications for public vehicle and public commercial vehicle licences.

It is evident from this brief review of the legislation administered by the department that its basic duty is to ensure the safe and orderly movement of traffic on our streets and highways. And it is a fact, Mr. Chairman, that The Department of Transport devotes a large part of its time and effort to the many phases of traffic safety and accident prevention.

Two major changes in senior executives

took place last fall when Mr. G. A. MacNab, former assistant Deputy Minister and registrar, was appointed Deputy Minister at the time of Mr. D. J. Collins' appointment as chairman of the civil service commission. At the same time Mr. W. M. Earl was promoted to the position of registrar of motor vehicles.

Now, with respect to the licence and permits branch, it had an all-time record year when it achieved for the first time a total of over 2 million motor vehicle registrations and 2.3 million drivers licenced.

These figures have doubled in the last 10 years. The estimated ordinary revenue from licences and permits to the end of March, 1961, is \$68.5 million as estimated in last year's estimates.

In the province there are 266 outlets where motorists can obtain renewals. As announced on January 1, we are again setting a firm date for the expiry of 1960 licences. This date will be March 15. These facilities will provide adequate opportunity for all those requiring renewals to obtain them before the deadline without inconvenience and, providing people do not wait until the last week or two, there should be no need for long lineups.

A major function of this branch is the maintenance of a 24-hour service which provides information regarding registration and ownership of Ontario motor vehicles for the purpose of enforcement by the Ontario provincial police and other police agencies.

The magnitude of the operation of The Department of Transport is very apparent when it is considered that more than 3,500 telephone calls are received each day at its head office and some 6,000 mail inquiries are received daily.

The growth of the "for hire" trucking industry was again indicative of the greater volume of work performed by the vehicle inspection branch during 1960.

One of the important functions of this branch is the issue of operating and vehicle licences to those persons or companies authorized to operate a bus or trucking business for compensation when not confined to one urban municipality.

During the 1960 calendar year the issue of PCV, both operating and vehicle licences, showed a marked increase to 10,416 and 40,615.

The inspection and control of all commercial vehicles is a major job of the vehicle inspection branch and one of supreme importance in the department's never-ending endeavour for safety on our highways. All inspections are carried out by inspectors of

the branch both at the 30 fixed weigh scales in the province and on the highways at selected points with the aid of 6 portable scales.

A further 6 permanent weigh stations are under construction by The Department of Highways which, on completion, will be manned by inspectors from the vehicle inspection branch.

Vehicles are checked to ensure that they do not exceed their registered gross weight. They are also checked for over-length and over-width where any doubt exists. Loads are checked against bills of lading, as are the weights.

It may be of interest to note here that 1,016,000 vehicles were checked during 1960 as compared to 880,200 in 1959. However, convictions for breaches of the Act showed a drop from 8,752 in 1959 to 7,399 last year.

The result of this programme has been a great saving to the province in the cost of road maintenance, far in excess of the cost of administering the programme.

The vehicle inspection branch is also responsible for the examination of licensed school buses as to their mechanical fitness and equipment requirements. This will be accelerated in the forthcoming year as the result of the new regulations recently passed. The regulations require that all such vehicles be clearly marked with signs reading, "school bus." All vehicles, when used solely for transportation of children, shall be painted yellow with black trim.

The regulations also require all vehicles carrying 10 or more children to have the following safety equipment at all times: An interior mirror; tire chains or snow tires on rear wheels except duals; a speedometer; the body floor constructed in such a way as to prevent the entry of exhaust fumes; two windshield wipers and a defrosting device; inside lights; an axe or clawbar and a fire extinguisher; dependable tires, emergency exits.

With respect to the requirements for the drivers of school buses all applicants must be 21 years of age or over and are required to pass a special driving test. A higher standard of proficiency will be required in the test, with added emphasis on knowledge of the rules of the road and sign recognition. The test will also contain references to bus and equipment and maintenance. The driving test itself must be taken in an actual school bus.

The applicants for school bus operators' licences will be required to file a medical

certificate of physical fitness also stating that they have a standard of vision higher than is required for an ordinary driver.

Garages, parking lots, car dealers and vehicle wreckers are visited periodically by our staff.

The Metro Toronto motor vehicle inspection centre at Downsview is operating as a research project. Here all vehicles may obtain, on a voluntary basis, a 38-point safety check, and those reaching the required standards receive an "approved" sticker. Vehicles picked up by the police as non-roadworthy are required to go through the check lanes and inspection.

With the expected increase in vehicles and the 6 new scales, 1961 should prove a very busy year for this branch with its increased activities.

And now, Mr. Chairman, I would like to touch on the subject of driver improvement, and to acquaint the hon. members with what the department is doing in this respect.

First, I am going to talk about our driver examination programme. The system of part-time fee examiners was first put into operation in Ontario in 1927, and it served its purpose reasonably well in the past. I would like to emphasize that these men were not civil service employees but rather were paid for their services on a fee basis. The number of examinations they conducted did not require their services full time. The majority of them had other occupations so that the fees were not their only source of income.

The majority of the fee examiners have carried out their part-time duties successfully and diligently and a vote of thanks is due to them for their valuable services in the past. However, with the vast increase in the number of vehicles and drivers over the years, it was felt that a more thorough and uniform standard of driver examination was needed in Ontario to ensure that our drivers were qualified to drive on today's roads safely.

While our method of driver examination ensures that all those obtaining licences to drive are fit so to do, we cannot be sure that once they have received their licences they will continue to drive with due care and attention to the rules of the road.

Consequently, the demerit point system was instituted for the purpose of keeping a constant check on all drivers and, where necessary, enabling the department to have a continuing driver improvement programme.

For this reason, with the formation of The Department of Transport in July, 1957, it was

decided to establish permanent driver examination centres, staffed by competent trained examiners, in major cities and towns throughout the province. The more searching 4-part examination was introduced to ensure that candidates for drivers' licences met required standards of knowledge, skill and physical and mental competence.

The extension of the driver examination programme gained momentum during 1960. Fourteen new centres were opened, making a total of 26 permanent offices now in operation. From these 26 centres, examiners travel to 37 additional towns and villages at as frequent intervals as is required by the volume of applicants. The schedule of places and days is well advertised so the public will be advised.

A number of additional offices will be opened in the next two months. By April of this year all driving tests will be conducted under the new programme.

Licence applicants at department centres are subjected to a more thorough examination under the new programme. It includes tests of vision, sign recognition, knowledge of rules of the road and behind-the-wheel skills.

Vision is tested on a specially-designed instrument to measure colour sense, depth perception and visual acuity or keenness of vision. If significant visual shortcoming are discovered, the applicant is referred to an ophthalmologist or optometrist.

All candidates for licences must show that they understand signs, signals, and lane markings. This is considered a particularly important part of the driving examination. If an applicant has difficulty with the English language, a good deal of time and patience is taken with the various tests before the application is approved.

Of the 99,034 persons who took the new driving tests at department centres during the year, 37,796 or 38.2 per cent failed on the first try. Most of the drivers who failed on first attempts passed on second or third tests. In the meantime they had improved their driving knowledge and skill.

It is department policy to require re-examinations in the following cases:

- (a) Drivers 80 years of age and over—re-tested annually.
- (b) Drivers 70 years of age or over if involved in an accident.
- (c) Accident repeaters—3 accidents in 2 years.
- (d) Drivers involved in fatal accidents.
- (e) Drivers suspended under the point system.

Consideration will be given to stepping up our re-examinations with the completion of the overall new examination programme.

The point system recognizes that some drivers make more driving errors or violate the law more often than other drivers and that these drivers are involved in more accidents than other drivers.

The purpose of the point system is to identify these drivers, attempt to improve their manner of driving and, if this is not successful, remove them from the road.

This is not a completely new idea. In Ontario, driving records of convictions and accidents have been maintained since 1930. Department action was taken when drivers accumulated records of repeated convictions or accidents.

The system operates in the belief that good driving behaviour is not a matter of individual judgment but that it involves acceptance of reasonable standards, particularly with regard to observance of the traffic laws. The use of points provides a measurement to establish what should be done with the driver who fails to drive properly.

Under the provisions of The Highway Act, the courts must report convictions for violations of the traffic laws to The Department of Transport. When the certificates of conviction are received, the number of points—prescribed by the regulations—are entered on the certificates. These cards are then filed under the names of the drivers involved.

If additional convictions bring the point total to 6 a letter is sent to the driver. It sets out the accumulated record, urges a change in driving behaviour and warns of the consequences of added convictions.

In the first 20 months of operation, 21,351 drivers had reached the 6-point level.

Of that group, more than 84 per cent remained at that point and have had no further convictions.

If the driver fails to heed the notice, and if convictions for further offences bring the point total to 9, he is directed to attend an interview with a representative of the department. The purpose of this consultation is to give the driver an opportunity to discuss and explain his actions. At the same time, it provides an opportunity for the review officer to see and talk with the driver and analyze the record. Our chief interest is in the man's deeds, as shown by his record, rather than his words. Also, an effort is made to persuade the driver to change faulty driving habits.

We feel that a great deal of success can

be achieved in this area, particularly in the case of younger drivers. We have found that a large share of the drivers interviewed have a tremendous confidence in their judgment and skill. For this reason they are inclined to place the blame for their difficulties upon another driver, the police, the courts or upon someone other than themselves.

Many of the drivers interviewed have doubtful excuses for their behaviour. They are convinced that their driving judgment leaves nothing to be desired since they have never been involved in an accident. The review officer's job is not to argue with the driver but to try to persuade him to take some action to improve his behaviour. If the driver's attitude suggests that he will make no effort to change, the officer may recommend a suspension, a re-examination of driving ability or other action.

During the 20-month period, 5,056 drivers had reached the "interview" level; 88 per cent did not go beyond that point following the interview.

While the aims of the point system are persuasive rather than punitive, our objective is to improve driving, not to suspend licences. Suspension is automatic at the 12-point level.

At the end of November, a total of 1,095 suspensions of this class had been applied. In addition to this total, 451 suspensions had been applied for failure to attend interviews and 98 upon the recommendations of the review officers.

One point that deserves mention is the "psychological" effects of the point system, and I should interject here that undoubtedly the majority of drivers would drive safely and courteously if we had no highway traffic laws.

There are, however, some who have changed their manner of driving because they have heard of the point system through the widespread publicity that has been given to this programme. The police tell us that when drivers are stopped because of a violation their chief concern seems to be—not the fine they may have to pay—but the number of points they may get. Other drivers who have reached the 6- or 9-point levels have also been influenced by the action taken.

There is one other incentive to improve driving provided by the system in that, after two years from the date of any conviction, the points applied are removed from the record. In this way, a driver who has accumulated points can clear his record by avoiding actions that would add additional points.

We will be in a better position to measure the effectiveness of this provision when a two-year period has elapsed. In the meantime, we feel that the point system has had, and will continue to have, an important place in plans to make driving safer and more pleasant.

From the many favourable comments received from service clubs, safety organizations and the public, and the almost unanimous support given by the press, we are confident that this view is by far and large shared by the majority of the people.

Persons convicted of offences, such as driving while ability is impaired, criminal negligence, driving while intoxicated, and so on, are automatically suspended from driving under the mandatory provisions of the law for periods of from three months to two years. Unfortunately, some 10,000 of our drivers brought themselves into this category during 1960.

Under the financial responsibility provisions of the statutes, the driver who has shown lack of responsibility by unsafe behaviour, or failure to meet his obligations, is prohibited from driving unless he can prove that money will be available for damage caused by him in future accidents.

In 1960, of those whose licences were suspended under this provision, 47 per cent were reinstated by filing proof of their financial responsibility.

As the hon. members are aware, a select committee of this Legislature was named last year to study all matters pertaining to the financial responsibility of motorists, including the operation of the so-called unsatisfied judgment fund. As this committee has not to date submitted its report, I do not wish to comment further on this phase of our work except to say that, since its inception, the fund has paid out in claims about \$20 million. Of this amount, over \$1.5 million has been paid to the innocent victims of hit-and-run accidents.

When payment is made from the fund, the driver's licence and motor vehicle permit of the judgment debtor are suspended. The suspension remains in effect until arrangements are made to repay, and until proof of financial responsibility is filed. Every effort is made to obtain repayment.

During the year there was an increase in the number of repayments leading to the reinstatement of driving privileges. This was the result of a change in regulations effective in May. Previously, a proposal for repayment could not be considered for reinstatement of driving privilege unless it was at

least \$25 or 10 per cent of income, whichever was higher. Under the revised regulations, there is no minimum monthly payment which can be considered. Every application is considered in terms of income, number of dependants and other commitments and circumstances. No reasonable proposal is refused. This has made it possible for many more drivers to obtain reinstatement of driving privileges than was the case heretofore.

A further responsibility of the department is the standardization of traffic control devices and bylaws throughout the province. This leads to the freer movement of traffic, greater convenience to the motorists and, what is very important, increased road safety.

Technical aid and advice is provided without cost to the smaller municipalities on request of their councils, and it is of note that the branch has been faced with increased demands for these facilities. Some 69 municipal councils were visited to discuss local traffic problems.

Following these discussions, 34 major studies, designs and reports were produced and forwarded for use by the municipalities. This represents an increase of 50 per cent over 1959. In 450 other cases, aid was given in regards to operational methods including speed limits, designs for minor intersections, traffic control lights, one-way streets, parking control and traffic signs.

With the tremendous increase in volumes of traffic which results in thousands of motorists travelling daily in and through many municipalities, it is of the utmost importance that we prevent hazards by assuring that there be the greatest uniformity in traffic control devices and local bylaws. As a result, traffic bylaws, which are all subject to the approval of the department, are scrutinized carefully to provide uniformity. A total of 1392 such bylaws were dealt with during 1960—an increase of 37 per cent over 1959.

Research plays an important role in the overall operation of the department and has aided in the solution of statistical problems within it. Research also is important in our search for improved and more efficient methods of operation.

By the continual study of reports and analyses, the department is supplied with the most up-to-date information on subjects with which it is concerned. Such studies that are in progress at the present time include: A continuing study on highway financing; interprovincial reciprocity in regard to commercial vehicle licence fees; and regulations

to govern the carriage of dangerous materials by road.

As I mentioned at the beginning, a major role of this department is to assure the orderly and safe movement of traffic in Ontario. Consequently a tremendous amount of time and effort is devoted to the projects of highway safety activities, which include many fields of endeavour as we shall hear in a moment.

However, I should like to put on record now the fact that much of our success is due to the valuable co-operation received from other departments of the Ontario government—notably The Department of Highways, The Department of the Attorney-General, The Department of Education and The Department of Health—as well as many organizations outside the government.

In the field of special campaigns in the current fiscal year, the following were the major efforts: police public relations; vehicle safety check; school closing; summer safe driving; child safety; and moral responsibility in traffic accident prevention.

In addition to these campaigns, a continual effort has been made in respect to organizing local safety councils, women's activities and general traffic safety releases at specially hazardous times of the year.

The road safety workshops, 1961, held last January 11, 12 and 13 and organized by this department in co-operation with The Department of Highways, The Department of the Attorney-General and The Department of Education, was extremely successful.

A total of some 1,366 delegates registered during the 3 days of the conference, and it was very apparent by the overflow attendances at most of the workshops that they came to listen and learn. The theme of the conference was "road safety needs your leadership."

Letters of congratulations and thanks received by me to date have been most encouraging in regard to the fact that the department's efforts had been effective.

Similar programmes to those mentioned will be continued in 1961-1962 to stimulate public awareness of the traffic accident problem, and to encourage everyone to live by the golden rule of traffic safety—"drive and walk as you would have others drive and walk."

Driver instruction in high schools as laid down in the joint memorandum of this department and The Department of Education will be further developed. Added encouragement is being offered to schools providing such courses, which include the provision of dual control clutch and brake mechanisms for

driver-training automobiles, and the supply of textbooks to these schools without charge.

In order for the department to study accident causes and trends, and related traffic problems, we collect and collate a volume of statistical information from the accident reports received from the enforcement agencies in Ontario.

Such statistics are invaluable in evaluating the various causes of accidents and driver attitudes, thus assisting in planning campaigns and methods to try to eliminate the cause. These statistics are made available to all interested parties, including transportation associations, safety councils, the insurance industry, and many other groups.

In summing up, Mr. Chairman, may I say that during the 1961-1962 fiscal year The Department of Transport will continue to advance vigorously the 3-point plan of driver instruction, driver examination and driver improvement to further safety on our highways. Particular attention will be paid to driver instruction in the high schools.

Continued studies will be made by all branches of the department into every aspect of street and highway usage in Ontario. Recommendations as a result of these studies will be made in our never-ending search for improved methods of ensuring the efficient, smooth and safe flow of traffic on Ontario's highways.

And that, Mr. Chairman, concludes my presentation of the estimates for The Department of Transport for 1961-1962.

On vote 2101:

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, my first words would be congratulations to the new hon. Minister of Transport for the difficult and challenging job that he has to administer; a department that necessarily must expand as this province expands and its problems of transportation become ever more important in our economic and social development.

I commend him for his work and I am sure that we all hope and expect that he will continue to do a good job in this capacity.

Our responsibility this afternoon is to ask questions of the hon. Minister on his administration, and I gathered from the comments which the hon. Minister made that he envisages the responsibility of his department to involve the safe and orderly traffic of vehicles and trucks on our streets and highways. I think he went to great pains to demonstrate some of the safeguards that he has invoked and is interested in, in conjunction with safety in Ontario.

I am going to leave to other hon. members of the Opposition the development of the safety aspect. I, personally, am interested in developing the concept of orderly traffic on our streets and our highways.

I suggest, Mr. Chairman, that in the consideration of that problem we must extend our thoughts beyond the physical road and beyond the physical highway. We must be interested in rail transportation, in air transportation and in the other things which may be necessary to give us a composite, overall picture of transportation in Ontario.

Before I develop some of the thoughts which I wish to suggest to the hon. Minister and to the House this afternoon, let me say that I noted with interest, as did all hon. members, the hon. Minister's reference to school buses and the care and attention that should be given to safe traffic and safety regulations with respect to the transportation of students in Ontario. This is commendable, it is desirable and it is necessary.

It has often occurred to me, Mr. Chairman, that a very simple device could be evoked to prevent a lot of these accidents. I am not an electronic engineer, but I do think that it is common knowledge to all that electronics are playing an ever-increasing part in our economic and social life.

I wonder, Mr. Chairman, whether it would not be possible and feasible as well as economical and inexpensive to equip a school bus with an electronic device which would detect approaching trains at railway crossings?

I understand that for something under \$150, an antenna could be constructed on all buses that would detect railway noises; I mean the noise of a railway train for a distance of 3 miles of any crossing.

I suggest, in addition to winter tires and the particular and unique colour of our buses, that equipment of this sort would pick up the noise of a train for a distance of 3 miles apart from all other noises, Mr. Chairman. I am advised it would be quite feasible to devise an antenna that would detect this noise only—that is, an approaching train—and ring a siren or bell within the bus itself. This would be far more preventive of accidents than anything else we can do.

We are familiar with radar, we are familiar with electronic devices, as I said, and the implementation of these aids to ensure the safety of children in school buses would be a real boon to safety in transportation. I commend it to the hon. Minister. I am not suggesting that it is extraordinarily novel with me; I have heard people talk about it, and

I am inclined to think, when experts talk on these subjects, sometimes they overlook the simple and the obvious in extraordinary fashion.

Mine is not a unique suggestion. Mine is not an expensive suggestion. But I am confident that mine is a suggestion which will save many young lives in Ontario if we implement this idea of simply equipping all school buses with an antenna which will detect the noise of an approaching train for, say, a distance of 3 miles from a railway crossing. This is something which the hon. Minister might take under consideration, comment on, advise and, I would hope, implement just as quickly as possible.

I said, Mr. Chairman, that it was not my intention this afternoon to spend much time on the problem of safety as related to transportation within the province. Other hon. members will do that. My intention is to try to expand our concept of transportation in Ontario and the problems of transportation, as, frequently, it has been my pleasure in this House.

I think I could make no better foundation for my argument than to refer to a statement in the *Toronto Globe and Mail* of two months ago when the hon. Prime Minister (Mr. Frost) of this province suggested that—and I shall paraphrase his words—when we look at the complexities of all the arterial roads that lead into a large metropolitan area, one comes to the conclusion that surely there are other facets of transportation than roads and highways.

Commuter service in this area and in southern Ontario generally is a desirable and necessary thing.

Commuter service that would use the facilities of our rail transportation system, that would bring people into a large metropolitan area economically, is something that the hon. Minister of Transport could take upon himself and so improve, I think, the system of transportation in this province materially.

The time is coming, Mr. Chairman—it is obviously here—when, if we do not take imaginative steps, we are going to build a host of very expensive arterial roads to do nothing more than bring cars into the centre of the city and then require the province to build garages or parking facilities to store those cars during the business hours.

I ask you, Mr. Chairman, whether, again in simple fashion, we cannot devise other ways of transporting people. I think the No. 1 cardinal rule in conjunction with transportation in respect to commuter service is

simply this: our primary job is to transport people, not cars. It becomes a question of economics whether we should use roads, subways, commuter services or other facilities.

Hon. L. M. Frost (Prime Minister): When the hon. leader of the Opposition is talking about commuter services, is he talking about railways?

Mr. Wintermeyer: Railways.

Hon. Mr. Frost: Go and see them. I have pressed that on them a hundred times.

Mr. Wintermeyer: Mr. Chairman, it is exactly what I said just a few moments ago, and I tried to paraphrase the statement of the hon. Prime Minister. I think he said on one occasion: "I wonder why it is not possible to have good commuter service on the railroad?"

Hon. Mr. Frost: They do not seem to think so.

Mr. Wintermeyer: When we look at the web of lines around Toronto, I do not see why it cannot be done.

Hon. Mr. Frost: That is right.

Mr. Wintermeyer: I agree wholly with the hon. Prime Minister. There is no disagreement.

Hon. Mr. Frost: There is with them, though.

Mr. Wintermeyer: I would say, Mr. Chairman, that there were occasions when I heard the hon. Prime Minister stand in this House and suggest to hon. members opposite that we use our good relations with the people at Ottawa to implement this type of thing. The situation has changed, I hope not permanently, when his relationship with Ottawa should be entirely different than ours.

Hon. Mr. Frost: But the problem is with the railway companies themselves. They simply are not interested in it.

Mr. Wintermeyer: Well, Mr. Chairman, my understanding is this, and I am pinning it down to a simple proposition. I am quite serious about this as I am quite sure the hon. Prime Minister is. The communication between my community and Toronto is such that one railroad operates a so-called day-liner from Galt to Toronto—the hon. member for Waterloo South (Mr. Myers) will be familiar with this—and it covers that distance in a time lapse of, I think, 60 or 65 minutes.

The regular service from my own community, of Kitchener, to Toronto, of approximately the same distance, is upwards of an hour and three-quarters to 2.5 hours. People are interested in quick transportation at the present time. As a result they are not using the latter facility.

If the Canadian National Railways could be persuaded to run a quick, efficient train from Kitchener into Toronto each day, I am sure it would pay for itself. I would think that we should use whatever facility we have in this House to impress on the railroads the desirability of this sort of thing. I am talking about a distance of 60 or 70 miles.

Hon. Mr. Frost: I might say this, that I am in agreement, but I have been unsuccessful to date. I will be very glad to go with the hon. leader of the Opposition and the hon. Minister of Transport, to see Mr. Gordon and see Mr. Crump and see what we can do.

I made all those representations to the Royal commission on transportation which is presently, I suppose, considering its findings and considering other submissions.

I agree. It seems to me to be an awful situation in which we have railroads spread out in all sorts of directions in Ontario being pulled up because there is not sufficient traffic. I do not see how they can have sufficient traffic when they give such awful service.

With the railways what else can they expect, if they are going to say: "Well, we can do nothing but just simply write it off." If their attitude is that, if they attempt to provide good services it is going to add to their astronomic deficits, what argument is there?

I have pressed that point of view. I have pressed the point of view of getting away from railroading which is after the fashion of the horse and buggy days; services that are out of date.

An hon. member: Come on over to the Opposition.

Mr. V. M. Singer (York Centre): They are the friends of the hon. Prime Minister up in Ottawa. Why does he not talk to them?

Hon. Mr. Frost: I have talked to them. I have been to the commission on transportation. I have talked to the railway people. I have talked to the directors, and they say that it just is not feasible, that there is no money in it. So what can we do?

Mr. A. Wren (Kenora): He did not hesitate to go after the workmen on the railway, why can he not go after the officials?

Hon. Mr. Frost: I have gone after the railways—as a matter of fact no later than today—on this subject. As is somewhat dimly known around here, I was born in the historic town of Orillia in the Leacock days. The only resemblance between the Orillia of today and the Leacock days is the railway, still run the same way as it was at that time. Now, how can it expect business?

Mr. Wintermeyer: Well, Mr. Chairman—

Hon. Mr. Frost: I am all for the hon. leader of the Opposition. If he can devise new approaches, I am all for it.

Mr. Wintermeyer: Mr. Chairman, I am serious about this and I am sure the hon. Prime Minister is. We will do anything he suggests and use what facilities we have in this House to co-operate with him.

Frankly, I feel this is an area wherein we can not only help people but we can save money for this government. I think it is asinine that we continue to pour hundreds of millions of dollars into our arterial roads when they are not absolutely essential for the movement of people at this time. If we can move them cheaper, then I think it is our responsibility as the Opposition to draw this to the attention of the hon. Prime Minister.

I say this to him, not with the intention of any bellicose position, I gladly will do anything I can. If he will arrange a meeting, and invite anybody, I assure him that I will be glad to be there. I will gladly arrange for any other hon. member from this side, who can be of assistance, to attend.

Let us try something. Let us impress on these men that they are wrong, that they are not serving the community, and that they are not serving this province, when it requires that we expend hundreds of millions of dollars that could be spent in far fewer dollars to transport people. I think the same principle applies to the subway.

I feel very strongly, Mr. Chairman, that exactly the same principle is applicable here. We do not realize that we are growing up in this part of Ontario, as other communities and other jurisdictions have grown, and found it absolutely essential to use means of transportation other than highways. On a per capita basis, on a per head basis as I understand the experts' talk, it is much cheaper to transport people in a subway than it is on roads.

Irrespective of what the old rules of the game are, irrespective of what the law is, I suggest that the hon. Minister exercise his good offices, his imagination, to do something about bringing commonsense into this area.

If it can be demonstrated that we can transport the people who are required to be transported by means of subways, then, for goodness sake, let us do that and avoid the expenditure of millions of dollars that are required for the construction of highways, and further millions of dollars that are required to house the cars during the 8 hours that they remain in downtown metropolitan areas.

Mr. Chairman, I suggest here again is an area where we can do something. Here is an area where we move forward and accomplish what the people of Ontario expect of this government. I do not think we should be bound by rules and regulations. I do not think we should be bound by the habits of the past.

The hon. Prime Minister says, and it is true, that the railroads at the present time are adopting the attitude that they have done something in a certain way for 25 or 50 years and, therefore, that is the only way. The simple fact is that I am confident that quick commuter services would be economically feasible. I would recommend to the government that they give serious consideration to challenging the railroads to this extent, that they loan the railroads the money that is necessary to implement this type of service, and accept repayment out of the rewards of the operation of that service. It is the type of thing that will demonstrate who is right and who is wrong.

I am sufficiently confident that we are right in this, that we can run the risk of financing the initial operation.

Now, Mr. Chairman, this type of thing is what we must think about and envisage for the future in conjunction with transportation. I do not know of any other facility as important to the social and economic development of a community as transportation in its various aspects.

I suggested these improvements with respect to the problem of railways, this problem of underground transportation.

There is another area and that is air transportation particularly in northern and northwestern Ontario. This is very important—I know I am going to be met by the constitutionalists who will tell me this is a prerogative of the federal government—but I do not think that should preclude us from thinking about the problem and planning for the problem.

I think in northern Ontario the question of air transportation is all-important, not only from the safety aspect.

In this respect I understand The Depart-

ment of Lands and Forests is taking care of the safety of injured people—or at least transportation of injured and sick people. There is likewise the problem of the transportation of people who want to cover that distance quickly. Sure, our commercial airlines are flying from major communities, but not effecting any gridiron system in between the smaller communities.

Here is a third area wherein I suggest that an imaginative, forward-looking department can break new ground, if you will, and begin to overcome the handicaps that we are experiencing in Ontario in rolling back our frontier and building the type of industrial basin that we want in all of Ontario and not just a small part of Ontario.

Then, in conjunction with water traffic, we have a unique problem. It is axiomatic to know that today in Ontario many people are using small craft and that the use of these craft is dangerous to the public's physical welfare. It is actually a shame to watch the performance of some people in charge of small craft, in the use of water skiers and the like.

Now I am not one who feels we should list a lot of regulations, licence everybody who comes within our sight, and insist on a lot of examinations. But I do think that we should police the operation of water traffic in Ontario during the summer months; and I think the only way to do it is to actually fine and prosecute the people who are obviously in disobedience of commonsense in the operation of small craft.

I recommend most sincerely and directly this proposition to the hon. Minister of Transport, that this summer he make a special effort to prosecute people who are just impinging on good common decency and privileges and rights of others in the use of small craft in this province,

Mr. W. B. Lewis (York-Humber): Mr. Chairman, if you will permit me, I will say that this matter was brought up in the standing committee and I certainly agree with the hon. leader of the Opposition. But we were politely told that unless we licence, we do not have any control. This came before the federal government some time ago, and even some of the tourist outfitters objected to it. Until we get some type of licensing, I do not see how we can control it.

Mr. Wintermeyer: Then ask the government to do that. Mr. Chairman, here again we have this demonstration of the attitude that we cannot do it because it has not been

done, that we cannot because the first law says it should not be.

Mr. Chairman, when in the world are we going to reach the point where we say: "This must be done and we are going to find a way of doing it"?

I do not pretend to be a constitutional expert, I know—

Hon. Mr. Frost: We will be sending troops to the Congo next from the provincial police force. That is what the hon. leader of the Opposition will want next.

Mr. Wintermeyer: Well, if it is necessary and it is going to do something here in Ontario, all right. I am not suggesting that at all.

Mr. Lewis: Mr. Chairman, talk is cheap. We just cannot do it until we get legislation permitting us.

Mr. Wintermeyer: Oh, nonsense. When has the safety, the physical safety of the people of Ontario been deprived of the guidance and help of the Legislature of this province? Give some hon. member opposite—the hon. Minister of Mines (Mr. Maloney), for instance—the brief. Surely there is an hon. gentleman with enough imagination in law to recognize that our Constitution certainly was never intended to deprive property and civil rights—I think this is a matter of property and civil rights—of the jurisdiction of the provincial government.

I suggest, Mr. Chairman, that this again is the type of thought we have to get. Children and older folks are endangered—the hon. Minister has seen it and every hon. member in this House has seen absolutely terrible demonstrations of carelessness, not just borderline cases of carelessness, but pathetic cases of carelessness—on our water system in Ontario.

If we say we are not going to do anything simply because there is a rule or regulation to prevent this from operating, then I think the government is losing the initiative it is required to take to do what the people of Ontario would require to be done at the present time.

Mr. Chairman, these are the points that I hope will be expanded upon by other hon. members in conjunction with what I would term those things that I think should come within the purview and the jurisdiction of the hon. Minister of Transport, and which immediately are not considered to be his exclusive responsibility.

Hon. Mr. Frost: Does the hon. leader of the Opposition not think that we have enough problems under The British-North America Act, our Constitution, and little enough money to meet them without spreading out and sending troops to the Congo?

Mr. Wintermeyer: Mr. Chairman, the hon. Prime Minister has constantly told me that I am failing to stand up for the little people in Ontario. He has constantly taken me on tours around the mulberry bush. He knows as well as I do that this is a matter of consequence to people in Ontario. I would say the hon. Prime Minister, as well as anybody else, has to stand up for the people in Ontario.

Hon. Mr. Frost: My hon. friend is talking nonsense.

Mr. Wintermeyer: I am not talking nonsense at all, I am talking good sense. If the hon. Prime Minister wants to become political about it—

Hon. Mr. Frost: I say we look after the people of Ontario by minding our business and doing what we are supposed to do.

Mr. Wintermeyer: I am quite serious about this. I do not want to make a political issue of it. That is another matter. All I am saying is this: I know there are technical problems, but since when are the people in Orillia not entitled to good protection in the summer-time on those great inland lakes? Is the hon. Prime Minister not interested in the development of those areas as summer resorts?

Hon. Mr. Frost: The hon. leader of the Opposition will be asking us to send a ship to catch the *Santa Maria* some of these times.

Mr. Wintermeyer: Mr. Chairman, this is the type of lackadaisicalness that has prevailed in other Parliaments in this country at other times. This is what the people are saying. This is what they expect of this government. If the government wants to avoid the responsibility of technicalities, fine, but I say it is their responsibility.

I ask this. How does the hon. Prime Minister correlate the argument he is making now with his observations regarding commuter service? Is that not just as much a federal jurisdiction? How does he get around that one?

Hon. Mr. Frost: Well, we are not running it.

Mr. Wintermeyer: The hon. Prime Minister suggested he was prepared to do anything he

could. Now, I ask him: Is he going to do something about that?

Hon. Mr. Frost: What? Run commuter service?

Mr. Wintermeyer: No, no.

Hon. Mr. Frost: N-O, in capital letters.

Mr. Wintermeyer: All right, "no" in capital letters is all right for the newspapers, but I am asking him if he is prepared to do what can be done to get commuter service?

Hon. Mr. Frost: We have already done that.

Mr. Wintermeyer: What has the hon. Prime Minister done?

Hon. Mr. Frost: Just the same as the hon. leader of the Opposition. We have asked them to do it.

Mr. Wintermeyer: Is the hon. Prime Minister going to do anything more?

Hon. Mr. Frost: No, what else can we do? What else can the hon. leader of the Opposition do?

Mr. Wintermeyer: Well, Mr. Chairman—

Interjections by hon. members.

Hon. Mr. Frost: My answer to my hon. friend is this: At a time such as this, when we are hunting for dollars to pay for education, my hon. friend says that we ought to give money to the railways to run commuter services, something which is outside our jurisdiction altogether.

Mr. Wintermeyer: I said—and I do not need any hon. member in the House to tell me what I said—I said roughly this: That I think commuter service is important in Ontario; I think it is nonsense to spend unnecessary millions of dollars to build arterial roads when another form of transportation would be cheaper. I said I do not think we should be precluded from this objective by any rule or regulation.

Then the hon. Prime Minister said the same thing and I think he suggested that he and I and the hon. Minister of Transport and some hon. members opposite would go to Ottawa.

Hon. Mr. Frost: I said the hon. leader of the Opposition and Mr. Donald Gordon, of the Canadian National Railways.

Mr. Wintermeyer: All right; make the appointment and I will go. When shall we

go? I am ready to go any time and it is the responsibility of the hon. Prime Minister to make the appointment.

Hon. A. Grossman (Minister without Portfolio): The hon. leader of the Opposition also said he would subsidize.

Mr. Wintermeyer: Exactly! Now just a moment. Then I said that I am sufficiently confident that commuter service will work in Ontario that I would recommend that, if those in charge of the railways refuse to move we suggest we would lend the money necessary to put the operation into action.

Hon. Mr. Frost: Mr. Chairman, I will have nothing to do with that proposition at all. It is about as silly as anything I have ever heard.

Mr. Wintermeyer: All right. The hon. Prime Minister might recall the various silly things that have been suggested. I think it was only a month or two ago that the hon. Prime Minister said that the farmers' allied meat enterprises, this operation in agriculture of developing a co-operative, was the silliest thing that ever was said and the Deputy Minister of The Department of Agriculture is out in the country right now saying it is a good thing.

Interjections by several hon. members.

Hon. Mr. Frost: The hon. leader of the Opposition misunderstood what I said.

Mr. Wintermeyer: Mr. Chairman, these are important things for the people of Ontario. It is important to the people of Ontario whether people are killed on our waterways in the summer months—and they are being killed unnecessarily. I certainly am not one who is going to stand by and say: "Well, we have enough business. Let whoever is responsible to look after that, look after it." We have a responsibility and I am determined that we will exercise it. I shall do what I can to require the government to move.

I think that we have to do something by way of facilitating the transportation of people to large metropolitan areas, and I think we must get away from the rigid regulations that have precluded the province from taking an interest in subway services and commuter services as it has in the past. I think that in conjunction with a good part of Ontario we must become interested in airlines.

Mr. Chairman, those are the observations I would make to the very intelligent hon. Minister, and I hope the very imaginative

hon. Minister. I suggest, Mr. Chairman, that here is an opportunity for the hon. Minister to demonstrate his mettle; here is an opportunity for him to take the initiative. I say this because these are things for the good of the province of Ontario.

I suggest to the hon. Minister that he can do himself a lot of good service, and he can do the province much more service, if he will refrain from the type of encroachment and iron practices that preclude a good part of his government and his hon. colleagues from seeing the opportunity that exists in these very worthwhile suggestions.

Mr. Lewis: For the record, Mr. Chairman, relative to further policing of our inland waterways in the province of Ontario and indirectly licensing small boats, I want to correct the statement that we are avoiding the issue. I want to say that we have already approached the federal government on licensing and were politely told that it would be taken under consideration. We are awaiting their answer. We are not asleep at the post; we are doing something about it.

Mr. K. Bryden (Woodbine): In rising to participate in the discussion of The Department of Transport, I, too, would like to extend my congratulations to the hon. Minister of Transport on this the first occasion on which he has presented estimates to this House.

I may say, Mr. Chairman, that he has presented them in the competent and workmanlike manner which we have come to expect of him. His very lucid statement was one with which most hon. members, I think, could very largely agree.

There were some points that he did not raise in his statement that I would like to refer to as the opportunity arises. Some of them are matters of detail which I shall attempt to bring up under the appropriate vote when we get to it, but before these votes are called there are two matters of some importance which I would like to discuss very briefly.

First of all, I would like to follow on a little bit from some of the comments made by the hon. leader of the Opposition with regard to transportation policy. He spoke specifically in terms of commuter services, and I was in the happy position of being inclined to agree with both him and the hon. Prime Minister on the matter. I think it is essentially a matter that has to be taken up with the railways concerned, and I trust that some satisfactory solution can be found.

I would suggest, however, that transporta-

tion policy really is whole and indivisible, and it is very difficult to isolate one particular aspect of it. I would like to extend the reasoning which appears to be implicit in the remarks of the hon. leader of the Opposition in both directions.

First of all, I think it is time in this country that we developed a national transportation policy. I quite agree that this is essentially a matter for the federal government, but it is also a matter of concern to the province because transportation, after all, is an area of divided jurisdiction. Much of it is under federal jurisdiction, but a great deal of it is also under provincial jurisdiction.

I think that through co-operation between the federal government and the provinces a transportation policy has to be worked out that will ensure the most efficient use of transportation facilities, both across the nation and within specific areas of the nation, including such highly important areas as Metropolitan Toronto and surrounding districts.

I believe if we eliminate a great deal of the duplication of services which now exist, some of these very necessary services such as commuter services would become more feasible. I submit, Mr. Chairman, that the government, both federal and provincial, has a right to intervene in this field and to insist upon rationalization of our transportation industry.

After all, most transportation systems are subsidized in one form or another by one government or another.

The railways are subsidized by the federal government, the trucking industry is subsidized indirectly by the provincial government. Therefore, since public funds are involved in making these services necessary, it seems to me the public has a right, and the government has a duty, to ensure the most efficient use of the services available; whether they are air services, shipping services, rail services, truck services on the road.

I believe the economy that could be achieved from a joint federal-provincial transportation policy could very well make possible some of the very important services which were discussed this afternoon, and which the railways are unwilling to provide at the present time. I have no doubt that the reasons they give are that it is not economical for them to provide the services.

I submit that the whole question of transportation policy should be studied with a view to developing a national policy which

will become a joint project of the federal and provincial governments.

Then, on the other side of the scale—

Hon. Mr. Frost: I would say to the hon. member the great problem is that, with the completion in the next two or 3 years of highway No. 401 from Windsor to Toronto, there is obviously going to be very strong competition for the railways. That is the cause, really, of much of the lessening of rail freight and passenger traffic.

The hon. member can see the difficulty. If we go to the Ottawa government and say: "We will not build highway No. 401 from Windsor to Toronto because it will interfere with rail traffic, we think rail traffic can take care of that," I ask him what some of the hon. members opposite would say about such a policy.

Mr. Bryden: Mr. Chairman, I would agree that in this, as in almost all areas of public policy, there are many difficulties. I would not wish to minimize the difficulties.

The only thing I am urging, Mr. Chairman, is that we should bring to an end as soon as is humanly possible the present situation where everybody goes off on his own tack without anybody knowing what the other fellow is doing or without any attempt to develop an integration of policy, and co-operation and co-ordination of services.

Fully recognizing there are many difficulties involved, I still think that it is the sensible, long-term solution to many of our transportation problems.

However, I would like to consider this matter now at the other end of the scale, bringing it down to the narrower point.

The hon. leader of the Opposition made reference to the fact that commuter services in this general area would be useful. I agree with that. But I think we should also consider the situation within the metropolitan area itself, and that is really the critical point.

I am convinced that the major difficulties, as far as transportation in this area is concerned, are not really caused by the people coming from outside—certainly they contribute to it—but there is great difficulty and great congestion resulting simply from movement of people and goods within the metropolitan area.

I have suggested before, and I hope to suggest again as long as is necessary—and I would like to suggest right now—that the government should abandon the shortsighted

policy of refusing to subsidize the construction of subways in this great metropolitan area.

I think it is evident to anyone that the most efficient way of transporting people in a highly built-up metropolitan area is by subway and not by roadway. The government's refusal to give any assistance in the construction of the Bloor-Danforth-University subway—and I would say not only of that but of future subways that should be built—its refusal to do that is very shortsighted, and will cost it money in the long run because the inevitable tendency is for the municipality of Metropolitan Toronto to undertake the type of construction for which it can get subsidies.

I noticed in this morning's paper—I do not have it with me but the essence of it was that most of the capital budget for Metropolitan Toronto for this year is for the expressways and I am sure that will continue to be the situation. The government is committed to subsidizing those expressways to the tune of 50 per cent. I submit that it should develop a policy of subsidizing construction of subways so that it will be as advantageous to the municipality to construct a subway as an expressway. And I venture that I—

Hon. Mr. Frost: He surely would not confine that to subways, would he? If we get into that, into transportation of that sort, would it not then follow that we would subsidize surface transportation?

I have had a lot to do with the Windsor-Sandwich electric railway which is now a bus operation. In Ontario there are a very great many services such as that. Maybe the hon. leader of the Opposition has a bus operation in Kitchener. Surely it is as logical to subsidize the purchase of those buses and subsidize that type of transportation as it is the other.

It is true, many municipalities in Ontario, at the present time, are baffled by the problem of transportation, bus transportation or, indeed, perhaps the railway transportation within their communities. Of course, if we turn, for instance, to the city of Ottawa, it is very arguable that they save the roads, parking spaces and a whole lot of things by the development of their transportation system which is probably not paying. It is not paying in very many communities. Many communities are subsidizing their transportation systems now.

I say to the hon. member that I do not think his argument can be limited to the community from which he comes, Metropolitan Toronto which, of course, has a very fine subway development. This matter cannot end

at that point. I think the hon. member had better complete the argument.

Mr. Bryden: Well, Mr. Chairman, the hon. Prime Minister made reference earlier today to statements that he considered very silly. I would like to say—and I will attempt not to plagiarize his words—that what he has just submitted is the most illogical argument I have heard in a long time.

What I was talking about was the subsidization of capital construction of transportation arteries. To the best of my knowledge, the buses use the road. If there is anybody in this province or any municipality thinking of constructing streetcar lines then I think perhaps their case should be given consideration, but I know of none that have any such thing in mind. What I am talking about are these tremendous capital costs with which a municipality is faced.

Admittedly, the municipality of Metropolitan Toronto at this stage is the only one that is faced with the huge capital cost of subway construction. That may extend to other municipalities at a later time or in other forms of transportation; the monorail type of train may develop in time.

I would say all of that should be considered in terms of assistance from the province because the subway cannot be treated as separate and distinct from a highway. It is all part of the same problem of transporting people and, as I have said before, it is the efficient way; it is the way that the province of Ontario should be attempting to encourage in this area.

I am not suggesting, Mr. Chairman, that there should be any subsidization regarding the operating deficits of any transportation system whether it is in Toronto or anywhere else. Toronto has more surface transportation than all of the municipalities mentioned put together and then some. I am not suggesting there should be subsidization of that. I am suggesting purely there should be subsidization on the capital cost as there is on the capital cost of highways.

If the provincial government would adopt a modern, up-to-date and **imaginative policy** on this it would be possible, not only to complete the Bloor-Danforth-University subway in a much shorter period of time, but to proceed to the construction of other subways which are already overdue but are not going to be started for 10 or 15 years because of horse-and-buggy thinking.

I am concerned with just one particular argument which was made a little earlier.

The hon. members of this House then take it that the view is—I think one hon. Minister said it in so many words—that actually by subsidization of the subway we could save some of this money which we are spending on expressways and so on.

Hon. Mr. Grossman: I did not say that any which is now committed could be saved, but I am stating that it is a long-term policy. If the government places equal emphasis on subway construction, then future expressway construction would become less necessary. I am not saying it would become unnecessary because obviously we need both.

Mr. Bryden: The trouble now is that as far as this government is concerned it is exclusively on the legislation form of transportation.

Hon. Mr. Grossman: Mr. Chairman, would the hon. member object if I made some comment?

Mr. Bryden: No, go ahead.

Hon. Mr. Grossman: Aside entirely from the merits or demerits of subsidizing subways, I think we ran into this last year; I think the same question was raised and I brought forward the same argument. I wanted some comment on it but did not get it. Perhaps the hon. member has more information this year.

Is he not aware that the engineers, when we go through this debate as to whether we should put in subways or expressways, pavements or even parking lots, say that in the final analysis you really do not accomplish anything except bring more traffic on the road? Their argument goes something like this. I used to debate with them in city council on this basis. They say when the streets get crowded in the first place you need to put up more parking authority lots and the argument is that the more cars you take off the street the freer traffic can flow; more people get onto the street when they are able to use their cars at greater convenience than before.

Then when you get into this business of the subway, they also argue that if you put in subways you clear the streets for awhile. People who had been using other forms of transportation did so because they got fed up with crowded streets. They decided it was better to get out of traffic and use the public transit system. The more public transit system you have, the more road you make available for more cars.

I am not arguing that you do not have to

provide for these cars. I am only referring to the argument that by putting more money into subways, either through subsidy or any other way, you are not going to have to build the roadways; you are going to have to build the roadways just the same, expressways and every other form of roadway.

Mr. Bryden: Mr. Chairman, I would take it from this lengthy digression of the hon. Minister, who represents St. Andrew constituency, that he is opposed to subsidization of construction of the Toronto subway. I will merely say that I am in favour of it; I think I have already made that plain in some degree, so I will let the point rest at that.

Now, Mr. Chairman—

Hon. Mr. Frost: All right, on the same argument the hon. member is opposing building expressways.

Mr. Bryden: I am not; I have made that very clear. I realize that the hon. Prime Minister has great difficulty in grasping some elementary concepts but I would state, Mr. Chairman, I made it quite clear that I took no such position. I merely ask for an integration of policy which obviously is sadly lacking at the present time.

The hon. Minister is of the opinion that bringing in the fog helps to clear up matters.

Hon. J. P. Robarts (Minister of Education): Mr. Chairman, would the hon. member mind if I make one comment before he finishes? It is about the hinterland of Ontario. I would like to make a plea, an election speech such as the hon. member has just made, for a little subsidization of the public transit system in the city of London.

In the city of London we have just completed annexation. The city has taken in a very large area, and our public transportation system in its Act simply says, and I was in city council when the Act was passed, that it must operate at a profit. So it cannot be subsidized. Therefore, whoever rides on it must pay the amount.

Now, if we are going to subsidize dear old Toronto, from where the hon. member for Woodbine comes, and if we are going to have an election speech from him, I am going to make an election speech for my own riding of London and suggest that the province subsidize the public transit system in London as well. If we are going to do it in one place, let us do it in all places.

Mr. Bryden: Mr. Chairman, the only difference between the hon. Minister of Education

and myself is that when I make election speeches, I do not pretend I am not making election speeches. I am a politician making political speeches the same as he does. When he makes his speech in London—

Hon. Mr. Rowntree: Mr. Chairman, what about my estimates?

Mr. Bryden: Perhaps the hon. Minister of Transport will be able to control his hon. Cabinet colleagues and I will be happy to carry on with the other main point I had to make.

This falls within the general category of safety on which the hon. Minister indicated the department's plans and main outline, and I would say that they are plans with which very few people would disagree, certainly as far as the main outlines are concerned. But I would like to deal with one phase of this question of safety which in my opinion is particularly important.

I have raised it previously in this House as have other hon. members. None of us has had any success in moving the government as yet. But as far as I am concerned, I am not easily discouraged, and when I have a matter which is so obviously important and to which there is such an obvious solution, I make no apologies for raising it again.

I am referring specifically to the problem of drinking and driving, to the inadequacy of our present laws to cope with that situation. I will not repeat the remarks I made last year on the subject, but I will refer to the fact that more and more authoritative information is piling up on this subject and I would like to make some reference to it.

For example, I have here a copy of the *Criminal Law Quarterly* of May, 1960, containing articles by Edson Haines, QC, a prominent barrister, and also an article by Ward Smith, director of The Department of the Attorney-General's laboratory in Toronto. I wish in a moment to make some references to some of their statements.

I also wish to refer to another of the publications of the alcoholism research foundation, the magazine *Alcoholism* for the spring of 1961, in which the alcoholism research foundation returns to this matter for certainly not the first time.

Now, the proposition that I put before the House last year—and I claim no credit for it, I got it from people much better qualified in this field than I—is that we should have in this province a law which would state a specific limit of alcohol concentration in the

blood beyond which it is illegal to drive a car. The limit that has been suggested almost universally and is in effect in many countries is .05 per cent. The law should simply state that it is illegal for anyone to drive a car if there is a concentration of alcohol in his blood exceeding .05 per cent—just as the law now provides that it is illegal to drive a car on certain highways in excess of 50 miles an hour or in certain others in excess of 60, whatever the specific point may be.

I am aware that that type of law does not take account of individual variations, that some people are more competent to drive than others with .05 per cent concentration of alcohol in their blood. But it is also quite true that some people are more competent to drive than others when driving in excess of the speed limit. Our laws on the speed limits permit no exceptions; and think of what a mess it would be, Mr. Chairman, if police officers in enforcing the law, with regard to speed limits, had to demonstrate that the driver was driving at a speed faster than was appropriate for his individual capacity.

Such a law would be totally unenforceable. We have always had a law that simply sets an arbitrary limit beyond which it is dangerous for most people to drive. And experts are almost universally in agreement that it is dangerous for most people to drive motor vehicles if they have more than .05 per cent of alcohol in their blood.

So let us have a simple enforceable regulation on this matter. It would not follow that we would abandon the present laws in regard to driving while intoxicated or driving while impaired. Those would continue to be more serious offences, and in

the few cases where it would be possible to establish a charge under those more serious sections, then charges would be laid, just as we have charges relating to dangerous driving or reckless driving and so on.

We should have a simple enforceable law which would not carry the severe criminal penalties which are attached to convictions for driving while intoxicated or driving while impaired, but would clearly establish a public policy that drivers should not drive when they have a dangerous concentration of alcohol in their blood. It would give police officers a reasonable and simple way of enforcing the law on this particular matter.

Hon. Mr. Rowntree: Is this not a sufficiently serious subject matter—involving as it does the lives of so many other people and the driver's own life—is it not a sufficiently serious problem that it should be left under the criminal code where it is right now?

Mr. Bryden: Well, I submit, Mr. Chairman, that it has been demonstrated by experience that the provisions in the criminal code are not adequate to deal with the matter, and I am by no means relying on my own information or my own views—

Hon. Mr. Frost: Might I suggest to the hon. member that, since it is so close to 5.45 o'clock—on this complicated and controversial subject, I think the chair might recognize it being 5.45 o'clock and that we reconvene at 8.15 o'clock.

Mr. Bryden: I move the adjournment of the debate, Mr. Chairman.

It being 5.45 of the clock, p.m., the House took recess.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, February 7, 1961

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 7, 1961

8.15 O'CLOCK P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF TRANSPORT (Continued)

On vote 2101:

Mr. K. Bryden (Woodbine): Mr. Chairman, I will try to complete as quickly as possible the remarks I had embarked on before the supper adjournment. I was at that time suggesting that we should take a new approach to the problem of drinking and driving, and that we should enact a law—not in substitution for the present provisions of the criminal code but as a supplement to those provisions—which would make it an offence for a person to drive a motor vehicle with a greater than .05 per cent concentration of alcohol in his blood.

Hon. W. K. Warrender (Minister of Municipal Affairs): May I ask the hon. member a question? How would this .05 per cent be ascertained, either by the driver or by somebody else before he started to drive?

Mr. Bryden: I realize the hon. Minister is now asking an argumentative question. I will come to the point in due course.

But before I do so, I would like to cite one or two of the authorities on this subject. I cited, and other hon. members cited, a great many in last year's debate. I mentioned earlier that still further expert opinion is being added to that which has already been stated. I made a reference to the May 1960 issue of the *Criminal Law Quarterly* and on the specific point I have just mentioned I would like to read a few sentences from a very extensive article by Dr. H. Ward Smith, the director of the laboratory of The Department of the Attorney-General, in Toronto. I am reading now from page 121 where Dr. Smith says:

In the interests of public safety, it would appear to be reasonable to set an upper limit of alcohol in the blood employing a philosophy similar to that responsible for speed limit.

When the speed limit has been set at 50 miles per hour, it is irrelevant that one driver is safer than another at 70 miles per hour because of some special attribute or "speed tolerance" which may be due to his personal attributes as a driver. In the interests of highway safety, he along with others of lesser ability is restricted to 50 miles per hour.

On this basis, studies today indicate that the safety limit for alcohol should be a concentration of .05 per cent in the blood. In this the ablest critic of chemical test evidence agrees.

And there is a footnote referring to I. M. Rabinowitch:

Increased tolerance may confer greater safety at this concentration in one person than in another, but the scientific data show that this is the concentration at which alcohol becomes an important factor in motor vehicle accidents.

Society through its laws should discourage individuals from testing their tolerance to alcohol while operating their motor vehicles in traffic, especially since this tolerance varies from time to time in a given person.

Mr. Edson Haines, QC, has very similar comments to make. He makes one related observation that I think is worth putting on the record, on page 63 of the same magazine:

As a lawyer engaged in the trial of motor vehicle cases for over 25 years, I can say that alcohol is a contributing factor to far more accidents than the police can ever establish. It is commonplace for a lawyer to learn from his client that he had consumed 4 or 5 drinks before the accident, while admitting to the officer that he had had only one or two, or sometimes denying that he had any. Yet the lawyer knows two things are true:

first, the client could not be convicted of either impaired or drunk driving; he is not even charged in most cases;

second, the 4 or 5 drinks consumed by the client were a material element in the accident because they made the client less capable of exercising care under the circumstances.

And I might say there are a great many other authorities cited here expressing similar opinions.

The question has been raised by the hon. Minister of Municipal Affairs—and I have no doubt that he knows the answer to it as well as I do—as to how one establishes the alcohol level of a person's blood.

There is a well tested and accurate scientific method of determining that, and that is by use of the device which is commonly known as the breathalyzer. The breathalyzer test is an accurate test of the alcohol content of a person's blood and naturally that method is the way it would be determined.

There are no subjective factors involved at all, as there are in determining such very indeterminate matters as whether or not a person is intoxicated or whether or not his ability is impaired. The question of what is the alcohol content of his blood is an objective consideration which can be determined with quite sufficient accuracy, for the purposes that we are now considering, and in a perfectly objective manner.

I know that objections have been raised that this is denial of a man's fundamental rights, that in effect, it requires him to testify against himself. I submit, Mr. Chairman, that is a totally illogical argument. I would like to read again from the article of Mr. Edson Haines on page 62:

Some lawyers express concern about the rights of the drinking driver against self-incrimination through being compelled to take a breathalyzer test or lose his driving licence. They should be reminded that we have long had the compulsory fingerprinting and photographing of suspects because adequate law enforcement demands it.

It is proposed that we should no longer withhold the use of the breathalyzer from our law enforcement officers. The time has arrived when we must balance the right of a drinking driver to refuse a simple test against the right of the public to be free from the harm caused by those who drink too much and drive.

It is proposed that we should either repeal section 224(4) of the criminal code, which can only be done by Dominion legislation, or do as the government has done in Saskatchewan. There the motorist undertakes, as a condition of obtaining a driving licence, that he will submit to a test, and if he refuses he forfeits his licence for a limited time. This results in most motorists submitting to a test when requested by a police constable.

Last year, when I was discussing this same question in the Legislature, I quoted from no less an authority than the supreme court of Canada, which took a similar view, that this was not in the category of self-incrimination at all. I submit, Mr. Chairman, that the supreme court of Canada is very much alive to the need to protect the rights of the citizens, but in its opinion that is not the question involved at all.

I would point out also, Mr. Chairman, that Norway has had such a law in effect for years. I do not think that Norway takes second place to any country in the world in its concern for the rights of the individual.

In fact, in that country they even have a public officer whose sole duty it is to make sure that the citizen is protected from any invasion of his personal rights and freedom which may occur in the administration of law and in general public administration in a complex modern society.

Certainly, Norway and other countries that have this law are just as concerned as we are about the rights of the individual and the protection of the individual who is accused of an offence—the proper protection of the individual.

But that is not involved here. This is merely the determination of an objective fact about the person. Nobody is asking him to give evidence against himself at all. It is merely a question of determining an objective fact about him. It is a fact that is very important to establish if we are to deal effectively with the serious problem of drinking and driving.

As a final point, Mr. Chairman, I would like to suggest that if such a law were passed, or even if it is not passed, there should be a development of the educational programme with regard to this particular problem.

I would suggest, sir, that merely to paste on billboards some such slogan as: "If you drive do not drink," or "If you drive, drink tea," or something like that, is not a suitable educational procedure.

The average fellow after he has had two or 3 drinks is not impressed by that type of slogan. His answer to it frequently is, "Well, I am not drunk." And it is quite true that in the normal sense of that word he is not drunk.

But it is also a fact, Mr. Chairman, that frequently the man who has a real skunk is considerably less dangerous than the man who has had just two or 3 drinks. Sometimes with the man who is really intoxicated his main error is excessive caution.

I am not saying that is always the case,

and I am not saying such a person is not a hazard behind the wheel of a motor vehicle. But I am suggesting that he is often less of a hazard than the fellow who has had only a few drinks, to the point where his judgment is impaired just sufficiently that he takes risks that he would not normally take. That is the very person who cannot be touched at all by the present provisions of the criminal code.

It would be quite impossible to establish that he was driving while intoxicated or even driving while impaired, within the meaning of the code. The type of law I have suggested would certainly provide a means for dealing with him and for discouraging him from doing such a thing again. He is perhaps the most serious problem.

I submit that the type of educational programme that has been undertaken by the department to date does not adequately deal with the situation. My submission, sir, is that the department should go to television and newspaper advertising and similar media to convey scientific factual information to the people. It is quite possible to do that in fairly convenient and understandable form, and I am quite convinced that most people—if they really understand the scientific facts—will govern themselves accordingly. But mere slogans do not give them any scientific facts and most of them take the view that the slogans do not apply to them.

The sort of thing I have in mind is illustrated by this document which I have from The Department of Mental Health, division of alcoholism, of the state of Connecticut. They have developed what they describe as a driver wait meter—and wait is here spelled w-a-i-t. What this chart conveys to anybody who looks at it is certain basic information to the effect that, if he drinks certain quantities of alcohol he will have certain concentrations of alcohol in his blood and therefore he should wait certain specific periods of time before he drives.

Now, I may say that our own Ontario alcoholism and research foundation has developed a similar chart. Indeed, I would say it is a simpler one and one that is easier to understand. It has been published a number of times in their publication and it appears on page 13 of the magazine *Alcoholism* for the spring of 1960. It is a very simple, easy-to-understand chart which will convey to any intelligent person that, if he wishes to take a drink, he should use certain discretion within the terms suggested here before he tries to drive a car. If he is of average weight of 140 pounds, and takes

two glasses of whiskey of 1.5 ounces each, he should wait two hours; that is the type of information.

Now, I believe that intelligent people, when they have well-established scientific information of that nature, will govern themselves accordingly. I think it would be very helpful if the department would undertake to communicate that information on as broad a basis as possible to the people of the province.

I would say that it would be much better if we also had a law which backed up the information with some sort of legal sanction; but even failing the law, the educational effort is worth the trouble.

As I said at the outset, Mr. Chairman, this is not the first time I have referred to this matter. I regret to say that I do not believe this will be the last time that I shall find it necessary to refer to it because the one thing that is abundantly clear is that it takes a long, long time to move this government on anything. But the volume of evidence in support of the type of proposition I have put forward, the volume of expert opinion in support of it, is so overwhelming that I suggest to you, sir, that the government cannot very much longer delay facing up to its clear responsibility in relation to this problem.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I have a few questions I would like to ask with regard to this vote. I believe that the 1959 report of The Department of Transport is the last public report; is that correct, sir?

Hon. H. L. Rowntree (Minister of Transport): Yes, that is right.

Mr. R. C. Edwards: I should like to refer to page 43 of that report, Mr. Chairman. It states on that page that a poll of public opinion was taken by a well-known public opinion agency with respect to the effectiveness of various propaganda media employed by The Department of Transport and that such study was almost complete. I should like to ask the hon. Minister if this study is now completed?

Hon. Mr. Rowntree: Yes, that report is complete and our present policy of publicity and media is following its recommendations.

Mr. R. C. Edwards: Is that report to be published and made available to hon. members?

Hon. Mr. Rowntree: I am instructed that it has not been published.

Mr. R. C. Edwards: Is it to be published and made available to hon. members?

Hon. Mr. Rowntree: It has not occurred to me.

Mr. R. C. Edwards: It seems somewhat unusual that public funds would be made available and yet it would not occur to the hon. Minister that some other hon. members of the Legislature might be interested in these findings. I wonder if the hon. Minister would tell me the approximate cost of the report.

Hon. Mr. Rowntree: This was before my taking over this department and I have no direct knowledge, but I am instructed that it was less than \$4,000 and probably in excess of \$3,000.

Mr. R. C. Edwards: Do I understand then that it is not available to the hon. members of the Legislature?

Hon. Mr. Rowntree: I do not have a copy with me here.

Mr. R. C. Edwards: I realize that. The question I asked was whether or not it would be available to other hon. members of the Legislature.

Hon. Mr. Rowntree: I will take it under advisement.

Mr. R. C. Edwards: Thank you.

I wonder if the hon. Minister would tell me whether or not we might expect to have the findings of the report of the noise research committee in the near future? I note that this has been going on for some considerable time, and has been a matter of some concern to several municipalities.

Could the hon. Minister enlighten us as to what progress is being made in this report and if and when the final report will be available?

Hon. Mr. Rowntree: With respect to this subject matter, a special committee was appointed to look into the question. An interim report of this subcommittee has been tabled under date of February 6.

I am in receipt of a letter from the chairman of the committee informing me that the committee is still considering certain aspects of the matter and requesting me, as Minister, to extend the life of the committee for 6 months while they receive certain other information from another international convention which is under way on the same subject.

Mr. R. C. Edwards: I would like to ask a question of the hon. Minister and the department—I believe this is the proper place to ask this question with respect to driver training in high schools.

I would like to know whether or not The Department of Transport favours this policy of training high-school drivers at the high-school level? I should like to know whether or not any estimate of cost has been made with respect to instituting such a programme throughout all the high schools of Ontario. If such a cost is available, I should like to know whether or not The Department of Transport has considered bearing this cost.

I understand there is some considerable friction in The Department of Education, and I would like to know whether or not the department has considered bearing the entire cost of such a programme.

Hon. Mr. Rowntree: Firstly, this department favours driver education as an extra-curricular subject.

Secondly, the department has not taken under consideration, nor have I considered, the question of undertaking all of the costs in connection with such a programme.

Thirdly, the programme of driver education is in effect in some 49 schools across Ontario.

Fourthly, the principles involved in the driver-education programme are set forth in what is called a joint memorandum which was issued by the hon. Minister of Education (Mr. Robarts) and my hon. predecessor, the former Minister of Transport (Mr. Yaremko), setting forth the policies respecting driver instruction in secondary schools. That joint memorandum bears date of October 12, 1960.

Mr. L. Troy (Nipissing): Mr. Chairman, further in that regard, have The Department of Transport and The Department of Education consulted the people that are mostly responsible for the education of our youth, the teachers themselves?

Hon. Mr. Rowntree: Yes, we have taken that matter into account. There is a very sharp difference of opinion. It seems that the public generally, indicating their views in the press, would express a strong desire for the matter to be dealt with during school hours. There is also very strong resistance from the teachers themselves and some of the school boards. I think the extracurricular timing of the courses is an ideal solution to this programme.

Mr. Troy: Has the department carried on any research to find out just what the effect

of teenagers driving has on their school work? Had the hon. Minister done any research in that regard before he put in this programme?

Hon. Mr. Rowntree: This department has not done any research on the scholastic standards of students who are taking the course. I am instructed that the research on that subject has been undertaken by other bodies. But we do know that it is a well-established fact that any young person who is taking this course sponsored by the two departments has qualified himself and others, as a group, for a 15 per cent to 20 per cent reduction in insurance premiums if they establish that they took this course.

Mr. Troy: That is very fine in regard to the insurance companies, but I think the important thing is in regard to their education. I did not ask the hon. Minister if he had carried out any research. Other areas have. In the United States they have conducted extensive research in that regard, and they found out that with those who drive, those who use cars, there is generally a drop in the educational standard of those students.

Hon. Mr. Rowntree: Well, Mr. Chairman, I have no knowledge of the validity of that statement whatever.

Mr. Troy: I think that the department should have gone into it very thoroughly. I understand, too, that The Department of Transport or The Department of Education—do they pay these teachers for this extra-curricular activity?

Hon. Mr. Rowntree: There is what might be called overtime rate for teachers who are in receipt of their normal salaries and who apply themselves in the interest of these students after hours. They are paid overtime rate. That is accomplished through The Department of Education.

Mr. Troy: It seems to me, sir, that if the hon. Minister is going to pay students so that they will be able to drive cars—

Hon. Mr. Rowntree: It is the teachers I am speaking about.

Mr. Troy: Pardon me, teachers, to instruct them, that he would also—the hon. Minister or The Department of Education—would see to it that those who are teachers in the department of physical education, who are most concerned with the development of another machine—that is the physical machine of the boy and the girl—should also come under that category and also get paid. Why is it that the hon. Minister singles out these

teachers who are instructing youngsters to drive?

Hon. Mr. Rowntree: Mr. Chairman, this department is not charged with the supervision of physical education in the schools. That is number one. Second, I think the hon. member is entering into an area which would take about a week to discuss, having to do with attitudes on the part of teachers with respect to certain extracurricular activities. There is a certain group of teachers who enjoy and want to participate as part of their own recreation in extracurricular matters such as sports and other similar activities. There is another group which insists that it be paid. That is just the situation.

Mr. Troy: That is all very fine. But the department of the hon. Minister and The Department of Education set out in the very beginning to pay these instructors, I suppose as an inducement to get people to participate.

Hon. Mr. Rowntree: Well, I suppose the ultimate development would be professional scholarships through sports if it were carried through to the extreme. One of the ultimate results of the hon. member's argument would be that we would be eventually paying the students for attending class.

Mr. R. C. Edwards: Mr. Chairman, I have a couple of other questions but I am not sure whether they come under this item. Could I be informed as to whether or not questions with regard to the unsatisfied judgment fund should come under this vote, or would they be taken up under a later vote?

Mr. H. C. Nixon (Brant): For Hydro, I would assume that we would be equally in order, Mr. Chairman. Could I discuss this matter on that statutory vote?

Mr. R. C. Edwards: There are some pages in the report which are devoted to this unsatisfied judgment fund, Mr. Chairman. The question I should like to ask, of the hon. Minister, would be how much would have to be added annually to the charge made on uninsured drivers to allow the fund to pay the entire amount of judgment instead of certain limits as now provided for?

I note that the fund reached a new high of over some \$3 million in the year 1959, and I fail to see the purpose of building this fund higher if the limits are not to be increased.

I would like to know whether or not the department has considered recommending that the limit of judgments that are paid out of this unsatisfied judgment fund be increased.

Hon. Mr. Rowntree: Since my appointment as Minister, this department has not considered the question the hon. member raises. I am not a member of the select committee investigating the subject, but I am patiently awaiting, firstly, their interim report and their final report. As soon as I receive it, we will take steps to advance the material contained therein.

Mr. R. C. Edwards: Here is a little advice from this side of the House. I would suggest that the hon. Minister's department should be considering this matter, which is a matter that concerns many of the citizens of this province, and on which I believe some leadership should come from the government benches opposite. It seems to me that some people are being crippled and invalided for life, and while the unsatisfied judgment fund would certainly be a step in the right direction, I would think that some statistics should be available, and perhaps should have been available long before the committee was appointed, which would indicate just how much money would be necessary to provide coverage on an unlimited basis.

The courts are awarding higher judgments and, as 90 per cent of the people are insured, it would seem to me that the 10 per cent who are left should not be creating all of this havoc, and that the department should take care—

Hon. Mr. Rowntree: Mr. Chairman, the select committee dealing with this subject is made up of hon. representatives from all parties in the House. I am not a member of that committee, nor have I attended any of their meetings. But I understand that there are hon. members of the Opposition party on that committee and they have had an opportunity to speak to the subject. They would be in a better position than I am to say whether the committee has come to a conclusion or not. Have they, Mr. Chairman? Has the committee come to a conclusion?

An hon. member: No.

Hon. Mr. Rowntree: When that report comes in, I will give my undertaking that this department will immediately take steps to look at the findings pretty closely.

Mr. R. C. Edwards: I would certainly appreciate that, Mr. Chairman. I am merely trying to make a point, and I know it is unfair to the hon. Minister if he has not been charged with the responsibility over a long period of time. Certainly this government has been charged with the responsibility, and

certainly one would think that some research would have been made into this fund before this time and that some of this information would be available without having to wait for a select committee whose duty is to inquire into automobile insurance.

Hon. Mr. Rowntree: When a subject matter is under investigation, I think it is recognized as the proper procedure that it is out of form to carry the discussion any further.

Mr. R. C. Edwards: Thank you. Mr. Chairman, I have one other question on this vote, and that is with respect to the annual report.

Again turning to page 51, I see there is some comment with respect to a Department of Transport liaison officer whose duty it was to co-ordinate activities with civil defence. The report stated that his activities had been curtailed at that time, pending decisions with respect to civil defence policy.

I should like to know whether or not he is still in the employ of the department and whether or not those decisions have been forthcoming.

Hon. Mr. Rowntree: Well, Mr. Chairman, the question of civil defence has been the subject of a good deal of discussion both in this House and certainly in the forums of other municipalities. I am sure that the hon. members of the House, Mr. Chairman, are well aware that an organization called EMO—emergency measures organization—is now the successor organization to what we used to know as the civil defence.

There are certain officials of this department who have been very active in that civil defence and are active and still active in the emergency measures organization. In fact, the Deputy Minister occupies a very senior place, which is appropriate, in respect to spheres of activity which this department would have knowledge of in the case of any emergency.

There are other representatives of our department who are active in connection with the emergency measures organization. And when I say active I do not mean that they attended a meeting a year ago. I mean they are active.

Mr. V. M. Singer (York Centre): Mr. Chairman, I would like to address a few remarks at this point to the hon. Minister. Before doing this I would like to compliment the hon. Minister on his new portfolio. I have had the privilege of knowing him for some years and I have watched him with interest in the

House. I tell him now and I tell the House that I have great respect for his ability and I am sure that he brings a good mind—and I hope good intentions—to this office.

In addition to that, Mr. Chairman, there are a number of new faces in this department. There is a new Deputy Minister. He too, in my opinion, is a most able man. There is a new registrar of motor vehicles. I have come to know some of the personnel of the hon. Minister's department much better than I used to, through serving on this select committee. I feel that I should say at this point that I am most impressed with the calibre of the civil servants the hon. Minister has to work with.

Hon. Mr. Rowntree: I might say, Mr. Chairman, that I am very proud to head up a department with these men connected with it, too.

Mr. Singer: Having said all that, Mr. Chairman, I think we can look to this department for a lot of new ideas and a lot of advanced legislation.

Now, Mr. Chairman, perhaps I should deal with one further thing. The hon. member for Woodbine commented on two points I have made in the past, and I merely want to advise the hon. Minister that, insofar as the hon. member's remarks connected with breathalyzer tests are concerned, as I said just a year ago, I am in complete agreement. I think the hon. Minister should have a very careful look at this because the toll of accidents on the roads mounts from day to day, and the incidence of fault connected with the misuse of alcohol in connection with this toll is more and more frightening. Somewhere along the line I think that we should have a most careful look at the breathalyzer as a possible means of control—with mandatory provisions for its use.

The second point, that I again dealt with a year ago, was the question of subsidy to the subway. I was interested to note that the hon. Minister without Portfolio from St. Andrew (Mr. Grossman) joined in the debate again this year, again without having declared his stand on it. He was asked last year, along with the other 12 hon. members on the government side representing Toronto, to stand up and say whether or not they believed that the subway should be subsidized.

There is a very substantial argument in principle for it. I am not going to cover the same ground, other than to say that I firmly believe that this principle of subsidies for

highways should be extended to subsidies for subways.

Hon. A. Grossman (Minister without Portfolio): Did the hon. member read my answer last year?

Mr. Singer: I read the answer of the hon. Minister last year, and it was no more elucidating than his answer this afternoon. I say that the hon. Minister was avoiding the issue then as he is now.

Hon. Mr. Grossman: I would ask the hon. member to read it; read it to the House now.

Mr. Singer: The hon. Minister is a past master at trying to straddle the fence. He is just about to be caught in the middle, and it is time that he stood up and declared himself.

Hon. Mr. Grossman: The hon. member will not catch me in the middle.

Mr. Singer: There is some \$25.8 million, Mr. Chairman, set aside in the Metropolitan Toronto capital budget for highway construction this year. Fifty per cent of that is going to be paid in subsidies to the Metropolitan Toronto council by the hon. Minister's department. In addition to that, the 13 municipalities that make up Metropolitan Toronto are going to be constructing substantial numbers of roads, a very substantial amount in dollar value. The total amount of subsidy is a very imposing one.

Certainly I think it is without doubt that you can carry more people in a subway than you can on an expressway and that over a period of time Metropolitan Toronto will have to build fewer superhighways, fewer expressways, if they build more and more subways. So it is good commonsense that some of the subsidies that this province is paying should be directed towards highways.

It is interesting to note—and I notice the hon. Minister of Public Welfare (Mr. Cecile) is shaking his head—it is very interesting to note, Mr. Chairman, that when we have had this subsidy talk for subways come up, my hon. friends on the government benches are very anxious to say: "We will help you if you go up to Ottawa to ask for subway financing but we will not do anything here in Ontario."

Surely this is another point where they should accept the responsibility.

Mr. Chairman, that really was not what I wanted to talk about tonight. One of the things I wanted to mention was the question

of compulsory inspection of vehicles. This is a point that I have raised in the highway safety committee over the past couple of years and there are some very interesting statistics in this regard that I would commend to the attention of the hon. Minister.

In a single year in Metropolitan Toronto, almost 600 traffic accidents are caused by haywire steering, failing brakes, blinding headlights, and other mechanical faults. Toronto's record is 3 times as bad as Vancouver's, and yet we have not, up to this time, any system of compulsory testing for vehicles. Vancouver has been testing every car that appears inside its boundaries, including commuters in the suburbs twice a year for 23 years. The testing of every car and bus has become such a regular part of motor licensing in Vancouver that no one thinks of it any more as unusual.

The accident statistics have long since proved its worth. The 12-year average of Vancouver accidents shows only .9 per cent caused by mechanical failure. In Metro Toronto, more than 2.5 per cent of traffic accidents are caused by mechanical trouble. The Toronto record is almost 3 times as bad as Vancouver's, and it has been piling up smashed cars and injured victims, despite a voluntary—

Hon. Mr. Rowntree: Is that percentage-wise or in numbers?

Mr. Singer: Well, .9 per cent and 2.5 per cent, percentage-wise.

Hon. Mr. Rowntree: Of what?

Mr. Singer: Of the total number of accidents.

Hon. Mr. Rowntree: Does it not have to be related to the total number of vehicles on the road?

Mr. Singer: Well, the hon. Minister can relate it any way he wants. The statistics seem to indicate we still had 600 accidents caused by mechanical defects.

Hon. Mr. Rowntree: The comparison with Vancouver is not valid.

Mr. Singer: Well, I think the comparison is of substantial importance. The Toronto record appears to be, on the basis of the percentages, 3 times as bad. The hon. Minister can twist the figures any way he wants, but actually in the Toronto area we have had many more accidents which are the result of mechanical failures than there have been

in Vancouver. The obvious reason for it is that, in Vancouver, there are compulsory checks of the mechanical fitness of the vehicles.

The safety check that goes on, as the hon. Minister mentioned, at Keele and highway No. 401 in Downsview apparently runs through about 50,000 vehicles a year. I think that is the figure the hon. Minister mentioned.

And I am advised that about half the vehicles that go through there pass as safe and the other half do not. Who knows how many people we have maimed because in Ontario we do not like this word "compulsory"? This comes up in many other aspects.

One Sunday afternoon last December a construction labourer touched his foot to the brake of his 1952 two-door car as he came down the hill on Dufferin street towards Davenport road. His foot plunged to the floor and he started to swerve out of the way as his car slid without brakes through a red light. He glanced off one car, continued on across the intersection and stopped when his car rammed into a hydro pole on the far side.

In the statistics this went down just as a minor traffic accident. The result was 3 people with fractures and bruises and \$400 of smashed fenders and radiators.

With automobiles jammed closer and closer together every year, there are now—and I think the hon. Minister will agree with me—about 520,000 cars and trucks in Metro, the need for compulsory inspection has become more and more important. The last York county grand jury reporting in January of this year recognized the need and this is what they said:

We strongly recommend the establishment of a mandatory regular inspection of all motor vehicles licensed to travel on Ontario roads. It is evident there are owners of licensed motor vehicles who are either ignorant of the most elementary mechanical features characterizing a safe vehicle or are deliberately negligent. By the time the latter are associated with bills of indictment before a grand jury, one or more innocent people often have been killed.

We think that some of these deaths could have been prevented by mandatory inspection of vehicles some time during each licence year. It also appears to us that the only valid objection to this procedure would be its monetary cost and we question whether, in all conscience, cost is a sufficient answer.

Hon. Mr. Rowntree: It might be brought to the attention of the House, Mr. Chairman, that that same vehicle involved in that accident had been inspected for mechanical fitness a half-hour before the accident took place. This simply serves to point up the fact that it is just like an audit of anything, an inspection is only good at the given moment it is taken or made.

The reason why our programme of safety—and that is what it really is—is directed to driver examinations, and an attempt to raise the standards of drivers' conduct and the operation of their vehicles, is that our analysis and research into this subject show that 85 per cent of all accidents are caused by driver imperfection.

I think that is the place where we have to start first in attacking this problem.

That is why we are going after the driver examination and the driver education side in the first instance.

I would hope that at a later time, and in the course of this programme, we would eventually evolve an examination of mechanical fitness. The two problems of those examinations—it is easy to sit here and chat about them—are that they have to be done by either one of two types of inspectors; either a private garage or an individual retained for that purpose, with all the weaknesses inherent in such an operation, or by government- or department-operated bureaus at a very sizeable cost.

Mr. Singer: Mr. Chairman, I appreciate the fact that there are two aspects to this. I wanted to deal with the mechanical aspect first. In these comments I have just made I should give credit to—

Hon. Mr. Rowntree: From what page is the hon. member reading?

Mr. Singer: I want to give credit to the author of these statistics, Ron Haggart, in his column in the *Toronto Daily Star* today. I know Mr. Haggart personally and he gives very careful research to these columns that he does. I have no hesitation whatsoever in repeating to this House the statistics that he has gathered together and has repeated in his column.

Mr. Chairman, this is a very serious problem and I agree with the hon. Minister that there are two aspects to it, and I will come to the second aspect very shortly. But I think that we should go a lot further in the mechanical testing of the vehicles, and that we could very easily take the example that Vancouver has set forth as a very excellent

one. Some very substantial improvement could be achieved in this horrible vehicle toll that we suffer every year.

What has been done up in Downsview is a very good thing and the committee on highways is going to go up and see that very shortly.

I was at a meeting in that area last evening. For some peculiar reason that no one has been able to figure out, one of the legs of the cloverleaf of that part of highway No. 401 has had signs removed. In this one arm, the traffic used to be funnelled by two signs, one saying "north" and one saying "south." Those signs have been removed and have not been replaced.

Right in front of the driver-testing centre, the greatest accident hazard is being created (a) because those signs were removed, (b) because there are the most confusing set of stoplights there and (c) because the complete cloverleaf at what is now one of the busiest sections in the whole of Metro has not been constructed.

I hope the hon. Minister will have a pretty good look at the signs so close to his driver-training centre.

Hon. Mr. Rowntree: Well, had the hon. member called me about it last evening I would have had it fixed up right off the bat.

Vote 2101 agreed to.

On vote 2102:

Mr. Singer: Well now, Mr. Chairman, there is, I think, a very serious slackness in dealing with mechanical fitness of vehicles. There is a section in The Highway Traffic Act now that says when a used motor vehicle is sold by a dealer, the dealer should deliver to the purchaser at the time of the sale a certificate of mechanical fitness signed by the dealer indicating whether or not the motor vehicle is in safe condition.

To many used-car dealers, this does not mean very much. It would be interesting to know—perhaps the hon. Minister can tell us tonight—just what the department is doing to see that this is enforced. When insurance is applied for on these used vehicles, the insurance companies demand that a form be signed by a mechanic answering some 20 questions. Has the department any system of checking on the mechanical fitness as a result of this requirement in The Highway Traffic Act?

Hon. Mr. Rowntree: Well, it is not the department's duty to get into the question of the warranties of the sale of goods. We

are concerned with that certificate of fitness. There have been some abuses brought to our attention and this department is taking steps and, I can assure the House and the committee, those steps are of a nature that will bring the offending used-car dealers into line pretty sharply.

That certificate has been required only since January 1 and has been in effect about 5 weeks. We are keeping what I might describe as a day-by-day eye on the situation, and it is still a little early to make a full statement as to the results of it, but it is good, I can tell the House. It will be a positive, helpful statement.

Mr. Singer: Mr. Chairman, the hon. Minister's subsequent statement was a little better than his sidestep at the first, because really—

Hon. Mr. Rowntree: No sidestep—no, no!

Mr. Singer: —it does not deal too closely with the sale of goods. If it did, it would not be in The Highway Traffic Act because this was designed not to protect the purchaser; it was designed more to protect the public and the people who are on the road, and that is why it is in The Highway Traffic Act and not in The Sale of Goods Act.

Now, Mr. Chairman, leaving that subject for the present, the question I raised a few days ago in the highway committee is the question of the compulsory testing of drivers on the regular basis. The Deputy Minister, I think it was, or one of the hon. Minister's officials in any event, indicated that this was the goal at which the hon. Minister was aiming. The hon. Minister's department is now testing people over 80 and automatically testing drivers in certain other categories.

Hon. Mr. Rowntree: Which I outlined earlier.

Mr. Singer: Yes. Now, this is all very good, but the fact remains that still about a third of the people who apply for their first test are failing. It may or may not be fair to say that, perhaps, a similar proportion of drivers on the road today might have difficulty with passing their test.

I do not think, Mr. Chairman, that it would be going too far to suggest that, not in the near future, but as soon as we can arrive at it, some system be evolved to regularly test all drivers. Perhaps we could start off with once every 5 years. I think this would be a very important contribution to safety on our roads.

Mr. Chairman, the hon. Minister was talk-

ing about the psychological effect of the points system, and I wonder if he spent very much time talking to some of the police officers who are very worried about the psychological effect of the points system. The statistics I looked at, and the information I received from many police officers, indicate that one of the psychological effects of the points system is to increase out of all proportion the incidence of hit-and-run drivers.

In other words, people who have been involved in an accident are most concerned about the loss of points, and there is a psychological effect that tends to take them away from the accident. I think this is a matter of very serious concern to many police officers, and I hope the hon. Minister is doing some study on this and, perhaps, will tell us in which direction he is going.

Hon. Mr. Rowntree: Shall we deal with it now, Mr. Chairman? The impression gained from a certain category or group of the public to which the hon. member for York Centre has referred, gives a completely misleading impression of what the facts actually are, and I cannot accept the impression as being valid.

Mr. Chairman, in 1957—and I am dealing with what I call hit-and-run accidents, and this is prior to the points system being in effect—there were 2,015 accidents and the relationship of all drivers involved in hit-and-run accidents was 1.6 per cent. In 1958 the figure of total accidents was 1,924, somewhat less; the percentage factor was 1.5. In 1959 the total number of accidents remained almost constant at 2,034; the percentage figure 1.5, and in 1960 there were 2,503 accidents, and the percentage factor for hit-and-run was 1.7.

So, over a period both before and after the points system has been in effect, it has not varied more than .2 per cent.

Mr. Singer: Did the hon. Minister not say from 1.2 to 1.7?

Hon. Mr. Rowntree: No; it started at 1.6 and went to 1.5 and in 1960 to 1.7. So it is a tenth of one per cent variation.

Mr. Singer: That may be the province-wide figures, but the figures I saw recently from Metropolitan Toronto indicate a greater change than that. I know, having talked personally to many police officers, that they are very concerned about it.

Hon. Mr. Rowntree: These are province-wide figures, and of course we are concerned with the provincial picture.

Mr. Singer: Another point along the line of the difficulties this points system has produced here in the Metro area—and this is another complaint of many senior police officials—is that previously the police were able to summon a driver or owner by taking the licence number after an offence had been committed—going through a red light, failing to stop at a stop sign, and that sort of thing. Since the points system has come into effect the individual officer must catch the individual offender and, in an area like downtown Toronto, where many of the police officers are necessarily on foot, it is very difficult for them to catch and be able to identify the individual offender.

Mr. J. Gould (Bracondale): One has to be able to run pretty fast to catch anything in downtown Toronto.

Mr. Singer: This is getting to be a very serious problem, Mr. Chairman. The drivers are beginning to be very aware of this fact, and if they are in the process of committing an offence and they notice that the only policeman near them is on foot—and recognizing that perhaps he cannot run as fast as they can drive—some of them have a tendency to go on through the red light or not stop at a stop sign. It is a thing that is concerning police officials to a very great extent.

There was some talk around the Christmas season in this area, Mr. Chairman, about the spot checking that police were doing. They were stopping groups of cars arbitrarily, checking the drivers, checking the mechanical fitness, checking licences, and that sort of thing.

It seems from reading the papers that the incidence of accidents, because of this checking, fell very sharply. I know that there were complaints from many people—some of the complaints were expressed in editorials, some of the complaints were expressed in letters to the editors—that this was an interference with the right of an individual to be on the road and not to be interfered with unless there was a suspicion of some crime or something along that line.

That fact is that the incidence of accidents on our roads gets worse and worse and worse every day. Whether what the Metropolitan Toronto police did over the Christmas season was strictly in accordance with the law or not—

Hon. Mr. Rowntree: Is the hon. member referring to conditions in the municipality or across the province?

Mr. Singer: I am suggesting this, Mr. Chairman, that the type of checking that was done in Metropolitan Toronto over the Christmas-New Year's season had a very salutary effect on drivers. The incidence of accident went down very substantially over that period compared with previous periods. Therefore I was about to ask the hon. Minister whether or not, in some clear and unmistakable language, something could not and should not be written into the pertinent legislation allowing this to go on because this is an emergency situation and emergency measures have to be taken to cut down this toll on the roads.

Hon. Mr. Rowntree: Mr. Chairman, I believe this is a good opportunity to set the record straight on a couple of things. The stepped-up policy of spot checking motor vehicles over the holiday season in Metro Toronto was the child of the metropolitan police commission who set the policy. That provision for spot checking has always existed in The Highway Traffic Act, it existed last July and it exists today, and it can be carried on if any local police commission wishes to adopt that as their policy.

The Ontario provincial police are constantly checking, and the records for 1960 show that something like 600,000 cars were spot checked on the highways under their supervision.

Mr. Singer: Well, Mr. Chairman, if the legislation is there and this is the policy, all I can suggest to the hon. Attorney-General (Mr. Roberts) and the hon. Minister of Transport is that they tell all people who accept their instructions to do this as frequently as possible, because it seemed to have a very salutary effect in this area over the Christmas-New Year's season.

Mr. Chairman, there is one more point I would like to make. I mentioned it to the hon. Minister a while back, and that is the question of the anti-noise bylaw.

About 3 years ago the municipality of Metropolitan Toronto passed a bylaw. It came up here and the hon. Minister's hon. predecessor set up a committee to inquire into it. About a year ago the hon. former Minister of Transport produced an interim report. The interim report was just that: it was interim, it was not conclusive.

I asked the hon. Minister a while ago when we could expect the final report and he said he wished he knew.

I wonder if the hon. Minister knows tonight when we are going to get the final word?

Is Metropolitan Toronto going to be able to have an anti-noise bylaw or not?

Hon. Mr. Rowntree: Mr. Chairman, I know exactly as much as I knew this afternoon, and I expect the report in 6 months because under date of February 6 that is the period of extension the chairman of the committee asked for.

But now that this has been raised again there is another point. There is provision already under existing legislation for the enforcement of the law against owners of vehicles causing noise and the convictions in Ontario in 1960 with respect to defective mufflers totalled 7,679, and for making unnecessary noise, 3,989, so there does not seem to be much deficiency in the existing law.

Mr. Singer: Mr. Chairman, we have heard so many speeches from the other side of the House talking about the independence of municipalities—that municipalities should be allowed to govern their own business. I do not know how many times these facts have been cited. I do not know how many times the city of Toronto and the municipality of Metropolitan Toronto have passed the same bylaw and asked for permission to have it become law.

Hon. Mr. Rowntree: Mr. Chairman, I think it should be made straight right here that that is a law of Toronto; and that this is a special committee for the whole of Ontario. We have listened to nothing but subjects confined to Metro Toronto all day.

Mr. Singer: That is fine. Metropolitan Toronto is a very important part of this province; it contains a quarter of the population, and I think we should listen to it a bit more.

Mr. Chairman, this is a very important thing and it has not been dealt with; an answer has not been given in over 3 years. So I think the time is long overdue that the municipality be advised whether or not they may have the anti-noise bylaw.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, might I say that motor accidents, deaths, injuries and damages are matters in which we all have very, very great concern. I do not think it is a matter which any hon. member here or anyone in this province can treat with complacency. I believe just the very reverse is true.

As a matter of fact, I think we always have to be vigilant, we always have to create the idea in the minds of our residents that

we are going to better the situation. I believe that is one of the things which perhaps helped to correct the situation around Christmas and New Year's, the fact that it had been drummed into people and they recognized that there were great possibilities of getting into trouble, and accordingly there was a care exercised which at other times of the year may not exist. Therefore, I do not think that we can for a moment let down on our vigilance. I think that we have to do everything possible as a people to meet the situation.

On the other hand, let me say to my hon. friend from York Centre that I do not think there is anything to be gained by exaggerating the situation in this province. He rose here a moment ago and very expansively he said: "The incidence of motor accidents is getting worse and worse and worse."

Mr. Chairman, that is simply not true. As a matter of fact, I think we are entitled to take credit for some things and one of them is this. Here in Ontario, I think it can be established that we are in the lead in America in this matter. We are doing better than any jurisdiction, and we must judge these things in the light of certain conditions. We have to judge them in the light of the population of our province, which has grown by two million people in the last 15 years. The hon. member has to judge this by the number of motor vehicles on the road; he must judge it by the traffic density that there is on the road.

I asked the officials here what is happening on the basis of the usual standards which apply, and the death rate in this province is fortunately diminishing. With the diminishing of the death rate, there is a diminishing on that same basis of the accident rate and the damage rate which still runs into too many tens of millions of dollars and too many hundreds of people injured and killed on our highways.

Nevertheless, I would say that I certainly do not think we gain anything by saying to our people—a large percentage of whom are trying pretty hard to meet the problems in this case—that the situation is getting worse and worse and worse, because it is not.

If we take the period of 30 years of the accident ratio taken on the standard applying in America, we will see that our accident ratio has fallen down to probably a quarter of what it was in that time.

Now, Mr. Chairman, I am not trying to minimize the situation. I think it is serious, and we want to do the very best we can.

But I think we would accomplish more by going to our people and saying: "Now, look, we are making progress in this and more progress can be effected if we exercise more diligence and more care." In giving our people the incentive and the encouragement by telling them they are doing a good job in the light of the magnitude of this problem in America, I think, sir, it is a better way to approach the problem, and I just make that suggestion in response to the statement we have just heard.

Mr. R. C. Edwards: Mr. Chairman, I wonder if the hon. Prime Minister is aware of the item which has appeared on our desks the last couple of days, and I read from part of it. I have not the statistics available to the department as put out by the automotive trucking association. The statement says in part:

At press time, advanced statistics for December indicate that despite the intensified safety campaign the accident record was the worst in years.

Hon. Mr. Frost: I do not know if I agree with that or not.

Interjections by hon. members.

Mr. Singer: Mr. Chairman, it is a rarity that on these occasions we do not get the statement that our record is the best in the world or the best in North America. It is well known, and I have not the statistics here, that the only jurisdiction in North America that has shown a marked improvement in traffic accident ratios and deaths on the road is the state of Connecticut. That has been proven, and the responsibility has largely rested with the former governor, and the reason for it was strict and absolute enforcement of its traffic laws which we have not got here.

Hon. Mr. Frost: Well, I disagree with the hon. member. Nothing that would be done would satisfy him.

Interjections by some hon. members.

Mr. D. C. MacDonald (York South): Mr. Chairman, I hope that the lateness of the evening is not fraying tempers once again. There are a number of isolated points which I would like to raise and they might more appropriately come later, but there is one which I think can best be brought to the attention of the hon. Minister at this point.

I have a couple of news stories here which I should like to read without comment to

begin with, and then I would like to make a comment and ask the hon. Minister a question. Both of these stories are reported, interestingly enough, within 4 days of each other. The first one was on July 13, 1960. It reads as follows:

Drunk is drunk whether from alcohol in liquor or alcohol in paint, Magistrate James Butler ruled. Macdonald Moore, 42 Holmes Avenue, Willowdale, pleaded not guilty to being drunk in charge of his auto, claiming he had not been drinking but was groggy from paint fumes, when police found him behind the wheel. Moore said he had been painting a friend's floor with the windows closed for 14 hours and was affected by the fumes. His worship ruled that it did not matter how Moore got drunk and sent him to jail for 7 days.

That was dated July 13. Four days earlier, on July 9, the following story was carried in the *Toronto Globe and Mail*:

SARNIA: J. W. Murphy (PC, Lambton West) today was acquitted of a charge of drunk driving last June 17, by Sarnia township police. After hearing medical evidence that the federal member of Parliament suffered spells of dizziness, Magistrate A. B. Barron said there was a cause for reasonable doubt. Constable Symington testified that he saw the 67-year-old MP driving erratically on the new lakeshore road in Sarnia, he said he saw the car moving in the opposite lane at least twice, and he stopped him. He said he asked Mr. Murphy to walk a few paces and noticed that he was unsteady and that his eyes were glassy.

Now the first comment I want to make, Mr. Chairman, is that last year produced a number of cases—but this is the only one I shall refer to in order to make my point—out of which there appears to be a rather shocking unevenness in the administration of justice. Here is one man who was jailed for 7 days—and the judge apparently did not even look into it; he said no matter how he got drunk—even though he got drunk from paint—he was convicted and sent to jail. Here is another case—of a person who happened to be in a position of influence.

Hon. A. K. Roberts (Attorney-General): Is there any reason whatever to make such statements?

Mr. MacDonald: Just a minute, now.

Hon. Mr. Roberts: Who was the magistrate?

Mr. MacDonald: The magistrate was Mr. A. B. Barron.

Hon. Mr. Roberts: From what I know of Magistrate Barron, I do not think there would be the slightest chance of influence being brought to bear on him or that it would have the slightest effect if such a thing were attempted.

Mr. MacDonald: May I just read another news story:

Sarnia county chief of police Arthur Nesbitt said today the action against Macdonald Moore on a drunk driving charge is political fire. "We have been warned," he said, refusing to reveal the details of the action. "This is political fire and we do not want to get our fingers burnt."

Hon. Mr. Rowntree: Mr. Chairman, may I point out to the hon. member that this department has nothing to do with the operation of the courts, or anything else.

Mr. MacDonald: The first point I want to draw attention to, Mr. Chairman, is the unevenness of the administration of justice. There is one further paragraph in the story which I will draw to the attention of the hon. Minister:

However, he [the magistrate] instructed the Transport Minister be informed of the facts and recommended a re-examination to determine whether Mr. Murphy's licence could be suspended because of illness.

Now, Mr. Chairman, we cannot have it both ways. Either the man was guilty and should have been convicted as other men were, or he was subject to dizzy spells and his licence should have been re-examined.

I should like to ask the hon. Minister two questions: (1) What was the result in this instance upon re-examination of the holding of his licence, and (2) the hon. Minister this afternoon gave us quite a listing of circumstances under which licences are refused after two or three convictions in a limited period after 70 years of age, and so on. Can the hon. Minister of Transport inform us how often, as a result of testimony in a case indicating that this person was subject to illness or was not capable of driving on the road, was this referred by the courts to the hon. Minister, for example, in the past year, and were licences cancelled? Two questions: one specific and one general.

Hon. Mr. Rowntree: Mr. Chairman, with respect to the Murphy case, I am instructed that following the court hearing his licence

was withheld and reported to the department. Our department then referred it to our own medical board and the result of this was that a satisfactory report was filed by the Mayo clinic doctors on his behalf, in Rochester, Minnesota.

Mr. MacDonald: Mr. Chairman, I emphasize this. Either this man was guilty of drunkenness on the testimony of an inspector that he had been drinking, or his licence should have been cancelled for health reasons. I submit it cannot be both ways.

Interjections by hon. members.

Mr. MacDonald: If the hon. Minister accepts the decision of the magistrate as being beyond question, then I submit that the decision at the order of The Department of Transport is not a correct decision. We have two cases here, one of them an administration of justice and one of failure to administrate because of people of influence.

Hon. Mr. Roberts: The hon. member talks about the unevenness of the administration of justice. Why does he not get up and suggest that that acquittal out in Malton the other day was an unevenness in the administration of justice?

Mr. MacDonald: I remember when that charge was made. The hon. Attorney-General thought it involved trade unionists and got up and really delivered florid speeches in this House. Does the hon. Attorney-General say he is not innocent?

Hon. Mr. Roberts: No, not at all, but I am just getting tired of these kinds of suggestions about anything the hon. member does not like.

Mr. MacDonald: Mr. Chairman, the hon. Attorney-General can bob in all he wants, but if this man was not guilty of drunken driving, then he was incapable of driving on the road because he was subject to dizziness. One or the other.

Hon. Mr. Roberts: Why does not the hon. member apply for a job? He is so good at all this.

Mr. MacDonald: Mr. Chairman, I suggest that the department and the people who made the decision were wrong and it was a case of two wrongs made a right and the man is back on the road again.

Mr. Bryden: And the hon. Attorney-General's reaction is an indication of the weakness of his case.

Mr. MacDonald: Exactly!

Hon. Mr. Roberts: The reaction is just a normal reaction to the—

Mr. Bryden: The hon. Attorney-General must deal with the case; he cannot have it both ways.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, under item No. 6, under special studies and research, is The Department of Transport undertaking any studies concerning the reflectorizing of licence plates?

Hon. Mr. Rowntree: With regard to the use of the reflectorized material to assist in reflecting light, the department has its own study on it and we also have a study from the university of Illinois.

Mr. Newman: Is it the intention of the department, if the studies are fairly satisfactory, to follow the province of British Columbia's practice of making licence plates of reflectorized material?

Hon. Mr. Rowntree: No.

Mr. Newman: The department has not considered the reflectorizing of licence plates to be a good practice?

Hon. Mr. Rowntree: It could be, but the information about British Columbia is wrong. British Columbia does not have special material to reflect light.

Mr. G. W. Innes (Oxford): Mr. Chairman, under item No. 6, special studies and research, I would like to ask the hon. Minister if his department is making any study towards minimum speed on any of the 4-lane highways? As hon. members probably know, several of the states south of the border do have minimum speeds on several of their highways. The hon. Minister and, possibly, other hon. members of the House have undoubtedly come in contact with slow drivers on the main thoroughfares, and in many cases 6 or 7 vehicles pile up behind the slow one and then some fellow decides he is going to pass anyway.

I just wondered if the hon. Minister would like to comment on this.

Apparently it is working very satisfactory in the United States in certain areas. I am passing it out as a suggestion and am wondering if any studies have been made. I thought it would be particularly appropriate if it could be possibly experimented with on some of the 4-lane highways at the moment.

Hon. Mr. Rowntree: Mr. Chairman, there is no specific study underway concerning that point alone. There are certain studies underway having to do with traffic density and road capacity, particularly with reference to highways Nos. 400 and 401.

This factor of the minimum speed limit certainly has to do with the maximum load and the speed with which the volume of traffic can be moved over the highways.

There is a section in The Highway Traffic Act which makes it an offence for a driver to drive at such a speed as to foul up the general flow of traffic behind him.

Mr. Newman: Can the hon. Minister say if there have been any convictions or fines in that particular area? If there have been, how many?

Hon. Mr. Rowntree: I am afraid the hon. member will have to wait for that answer.

Mr. Troy: Mr. Chairman, may I inquire if the comment of chief justice J. C. McRuer comes under the studies? In Hamilton on September 30 in the supreme court the chief justice is reported as saying that in its present form The Highway Traffic Act of Ontario is defeating the cause of justice. He was referring to section 110 which protects statements made by a motorist to police after an accident. Such statements are privileged under the Act and cannot be used as evidence.

The statements are used in The Department of the Attorney-General for preparing statistics. The chief justice is quoted as saying that the law seems to be designed to collect statistics rather than further the cause of justice. Is that pertinent here?

Hon. Mr. Rowntree: Mr. Chairman, I simply say that the chief justice never consulted me about—

Mr. Troy: The hon. Minister should get to know him some time; I understand he is a very fine jurist.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I wonder if, under research, consideration is being given to the standardization of signs, particularly in cities where one has to look hard to read, "turn left between 9.00 and 2.00," for instance. Last year a suggestion was brought before the former hon. Minister of Transport with respect to having a purple light which, when this was shining on the traffic light, would mean that one could not turn left. He suggested it was a very good idea and the *Toronto Globe and Mail* and various other newspapers suggested

this might be considered. I was wondering if the hon. Minister has considered it?

Hon. Mr. Rowntree: Well, quite frankly I have never given much thought to the use of purple lights.

Mr. Thompson: I am sorry, I would like to pursue this. There have been a number of editorials on it in the newspapers. I brought this question up previously to the former hon. Minister of Transport, who said that he had given some consideration to purple lights. I would like to suggest that this has come up constantly in the newspapers. There is a great deal of confusion about which times one may turn to the left, and I think we could have some type of standardization across the province.

Hon. Mr. Rowntree: Mr. Chairman, the great problem in trying to run a province the size of Ontario is to make sure that we do not have too many laws and too many signs on the highways.

Mr. MacDonald: That is the trouble now.

Hon. Mr. Rowntree: The question of uniformity is ever present in our minds, and a manual dealing with uniformity of signs has just been forwarded to all municipal authorities in the hope that it would strike a welcome note.

Mr. Thompson: I am glad that the hon. Minister is pushing for more uniform and better signs.

Mr. R. C. Edwards: Some time ago I received representations from people of my constituency who operate a tri-axle vehicle and who have been advised that the hon. Minister has recommended some changes which would have a considerable effect on these vehicles.

Hon. Mr. Rowntree: May I ask the hon. member what Minister, and when the recommendations were made?

Mr. R. C. Edwards: Mr. Chairman, the representation was made to me on or about January 7, 1960, and I would read to the hon. Minister from an article which was left with me:

Following a meeting of the representatives of trailer owners and truck and trailer manufacturers, it was learned that a joint committee of The Ontario Department of Highways and The Department of Transport made recommendations to their respective Ministers which, if adopted, would

sound the deathknell to tri-axle, semi-trailers and full trailers and possibly combinations over 70,000 pounds.

These gentlemen were concerned—one in particular was concerned—because he had spent the best part of his life savings to purchase this vehicle which at that time had been licensed. He was concerned that these recommendations, if they were carried into the licensing, would, in effect, put him out of business because if he had to reduce the load by some considerable amount he would no longer be able to compete with the rail carriers.

I should like to know whether or not any legislation is contemplated, or if any change in the licensing regulations are contemplated, with respect to this situation?

Hon. Mr. Rowntree: In the first place, the letter of January 7, 1960, referring to a meeting held before that, I am instructed, is completely false.

Mr. R. C. Edwards: Do I understand that no changes are contemplated?

Hon. Mr. Rowntree: No changes. Let us look at the situation. There have been numerous complaints received by The Department of Transport with respect to the use of semi-trailers equipped with tri-axes. The Highway Traffic Act governs the weight of the maximum loads permissible. The Department of Highways is more directly the department concerned, and if any legislation were brought in it would be brought in by Transport, and I can state to this House tonight that no conclusion of any kind has been reached with respect to legislation.

Mr. R. C. Edwards: I thank the hon. Minister. I would suggest that, if such action should be contemplated in the future, the department take into consideration the hardship which might be created if these decisions were made overnight. I think if they are made there should be a period of warning so that these people might recover their investment and not be put out of business.

An hon. member: This government never does anything to worry anybody.

Mr. Troy: The hon. Minister may not have the letter of January 1960, but he has the letter of January 17, 1961, from the Staniforth Lumber Company of Kiosk, Ontario, in the riding of Nipissing in that regard and I understand—the hon. Minister did not have the letter of 1960, but I think he has this

one to which I refer. I understand that his engineers are now considering the reduction from 80,000 pounds to 70,000 pounds. Is that correct?

Hon. Mr. Rowntree: No conclusion or decision has been reached.

Mr. Troy: I did not ask what was the conclusion, I asked—

Hon. Mr. Rowntree: That is not a proper question, Mr. Chairman. I might say simply this, that there are literally hundreds and thousands of items under consideration by any department.

Mr. Troy: I agree with that, but it is a very important thing to the lumber industry that the hon. Minister not reduce this from 80,000 to 70,000.

Hon. J. A. Maloney (Minister of Mines): The hon. Minister of Lands and Forests (Mr. Spooner) will look after that.

Vote 2102 agreed to.

On vote 2103:

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, I have something I wish to ask the hon. Minister pertaining to items Nos. 6 and 7 on vote 2103. On this matter of highway safety and safe motor vehicle habits, I want to say that with all respect to the staff of the hon. Minister—and I do know that he has a very competent staff—this is a problem for all the municipalities. It does not matter whether it is just a town, village or whether it is a municipality the size of Toronto, all have to co-operate.

Now we have in the province these people who are police constables, traffic engineers and directors who are traffic inspectors, chiefs of police, who formed an association called the Ontario traffic conference. And I do happen to know that this Ontario traffic conference has been of great assistance to The Department of Transport.

In the matter of the new legislation or of amendments to The Highway Traffic Act, most of the recommendations have come from this Ontario traffic conference, because of the fact that we have here people who are dealing day in and day out with the matter of safety and traffic in the province.

This is an organization that was set up, I think, about 7 or 8 years ago. It is new and it is growing. I recall last year I had the privilege of attending their convention right here in the city of Toronto and the former

hon. Minister was the main speaker at the banquet. Also, the hon. Attorney-General attended one of the functions.

Now, a cheque to the amount of \$5,000 was presented to the Ontario traffic conference. I see here that the hon. Minister's department is giving the Canadian highway safety council a grant of \$10,000. Although I am not disputing this grant to the Canadian highway safety council, I do feel that the Ontario traffic conference certainly assists The Department of Transport to quite an extent.

My reason for asking that perhaps this could be interchanged, giving \$5,000 to the Canadian highway safety council and then \$10,000 to the Ontario traffic conference, is that I know that, every spring at Western university, they do put on a course for a period of two weeks for all people connected with traffic.

It is a very good course, but the municipalities that send their traffic inspectors or their police constables have to foot the bill. And very often some of these small municipalities, although they are interested, find it is humanly impossible to send their representatives because of cost.

I know that if this grant were increased, perhaps to pay a certain percentage of the cost of this course, the attendance at the course would increase to quite an extent. I believe last year they had perhaps 50 or 60 who attended the course.

I made that recommendation to the former hon. Minister of Transport last year at the convention and he told me it would be taken into consideration. He thought that I had certainly something worthwhile, it should be given some study. I realize the handicap he was under during the past summer and last fall, and I know the present hon. Minister has not been in duty very long.

But I do feel that this should be interchanged, because the Canadian highway safety council, even though a national body, does not give as much assistance to the province as does the Ontario traffic conference. I would like to know whether that has been taken into consideration.

I have another point that I would like to bring up afterwards.

Hon. Mr. Rowntree: Would the hon. member care to make his point, and then I will speak to them both?

Mr. Belanger: Well, my other point was just to mention very shortly a remark made a little while ago by the hon. member for

Dovercourt, and that is in regard to the uniformity of signs throughout the municipalities and on the highways.

I would go a little further than this. I would say that we should also work together with all the provinces of Canada, because I do know that when motorists travel from one province to the other they are quite concerned with the various laws of traffic and highway safety throughout the various provinces. I do know that there is a special committee of the Ontario traffic conference studying this province-wise, but I am wondering how far we are getting on a national scale.

Hon. Mr. Rowntree: Well, answering the last question of the hon. member first, I would say that the efforts of uniformity are being attempted on a Canada-wide scale. As to the speed with which uniformity is achieved and accomplished, I cannot speak, but one makes haste slowly and we strive for uniformity in companies' legislation and other important legislation which exists in each province, and that is what we are trying to do here.

Against the recognition that driving is something that is national in scope and is important, that is the way the uniformity aspect is being approached.

Now, to come back to the grants. The Ontario traffic conference last year received \$5,000 and the year before—for years before that—it was \$1,000. It was increased to \$5,000. I am recommending that it be left at \$5,000 for this year.

This group does a very fine job. The aim of that organization is to improve traffic conditions and traffic safety in the municipalities of Ontario, and, as has been stated, the membership is comprised of municipal elected representatives, traffic engineers, co-ordinators, police officers, transit officials and others interested.

At this conference to which the hon. member refers at the university of western Ontario—well, up in London, where they have this school—our department in effect assists in other ways than cash. We send lecturers to help operate the school. I have just approved certain personnels' absence while they attend and make this contribution.

Now as to the Canadian highway safety council at \$10,000, that figure is arrived at and prorated—each province bears a subscription in relation to the number of registered vehicles in that province and that is how the \$10,000 is arrived at.

Mr. Belanger: I did not know it was calculated on that basis. However, what the hon. Minister is saying about sending competent people of his department to instruct; that may well be. The instructors can be the best, but if the pupils are not there, what is the use of having these fine instructors? The reason I am asking the hon. Minister to increase this grant is to come to the assistance of these municipalities which would be interested in sending their representatives, police constables, their traffic engineer and director, and so forth, to attend.

Hon. Mr. Rowntree: I think the primary responsibility for sending the chief of police, the chief councillor or the officers of the municipal police force to this school rests on the municipality.

Mr. R. C. Edwards: Mr. Chairman, I should like to ask 3 questions on this. One is with respect to the school bus situation.

Last year, Mr. Chairman, during the last session, this House passed an amendment to The Highway Traffic Act which affected school bus legislation and which stated that, except when in city, town, village or built-up area, a motorist must not overtake and pass a school bus which has its signal devices in operation indicating that it is stopped for the purpose of taking on or discharging schoolchildren passengers.

My question to the hon. Minister is this: What steps were taken during 1960 to acquaint motorists in Ontario with this new legislation which made it an offence to pass a stopped vehicle? What I should like to know is: What steps were taken by the department to ensure that people knew this new legislation has been placed on the books? I suspect that very many of the motorists in Ontario are not aware of this legislation.

Hon. Mr. Rowntree: Mr. Chairman, the method adopted to acquaint the public with this specific item of legislation was to use the facilities of the press, editorials written on the subject matter. Reference was made in the driver's handbook and in other publications of the department, and in addition to that, on the back of the bus there is a sign which reads: "Do not pass when bus is stopped." One does not have to look at the driver's handbook, one just has to keep his eyes open and it is right there.

Mr. R. C. Edwards: I suppose that the bus has a sign stating the regulation applies in a town or built-up area as well as in rural areas when this sign is on the bus. I suggest to

the hon. Minister that this is totally inadequate, and it seems strange to me that the department should spend some thousands of dollars last year acquainting motorists with the fact that their licences were going to expire on March 15 and they should get them renewed, and yet on an important piece of legislation such as this—which would affect the welfare of our children—nothing has been done other than to depend on the editorials and the reports in the press.

I suggest that the sign which is on the back of the bus is not totally adequate because it does not always apply. There are situations in areas where this sign on the bus would be in error since it would not be necessary to stop.

Mr. MacDonald: I was interested to note that the farmers' union in their brief to the government this year urged that all traffic be required to stop when students are entering or leaving a school bus. What is the thinking which leads to the conclusion that if a car is approaching a bus from the rear it should stop, but if it is coming presumably from in front, it does not need to stop? I ask because my experience with school buses is that the kiddies get out of the door, they sometimes come to the back and they cross the road at the back unless they are all instructed and they follow the instructions. It seems to me that if we are going to put this into effect, it should be both meeting and approaching from the rear. What is the thinking on this?

Hon. Mr. Rowntree: Mr. Chairman, the thinking is that it should not be a two-way stop and that there is not sufficient evidence to justify it. Now, this is a very large problem and there are pros and cons to every argument, but particularly with this particular subject of safety.

Children normally get out of the school bus at the front door and cross in front of the bus. That would be the normal method; the preponderance of children would do that. Now the oncoming traffic can see those children.

It is the conclusion of the department that we should require the vehicles behind the bus to stop but permit the oncoming vehicles to proceed at their own risk, but with caution, for the reason that greater confusion occurs with a two-way stop.

Mr. Troy: Is there sufficient evidence, in view of the number of level crossing accidents, to make it mandatory that all vehicles stop at railway crossings? I ask the ques-

tion because of a letter I received from a railroader in my home city who pointed out that it is very difficult for a train to stop within half a mile, with the diesel power and the great number of cars. I quote from his letter:

Having been a railroader all my life, I am surprised and disappointed that someone with authority in highway safety has not made it mandatory for all vehicles to stop at all railway crossings.

I told him I would bring his suggestion to the attention of the hon. Minister.

Hon. Mr. Rowntree: Well, I think the hon. member can go home and assure him that he has. All passenger vehicles, including school buses, are obliged to stop.

Mr. Troy: That is quite okay, Mr. Chairman, but I certainly do not appreciate the levity of the hon. Minister.

Interjections by hon. members.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I consider that the highway safety programme is a very important subject and I, for one, personally feel that the publicity job, the educational job, done by the branch has had very fruitful results.

I have paid particular attention to the driving habits on the highway, and I feel that they are improving quite a bit. I feel there has been a good job done, but we must change the approach to educating the driver by pointing out the hazards which arise in abnormal weather.

When we have snow and abnormal weather, drivers are not in a position to see very well. I think a lot of it comes from the normal feel of the car they are driving. We know that most drivers exceed the speed limit by about 10 miles and that seems to be a habit that has generated and it seems to be working all right. But I feel that they do not reduce speed in abnormal weather, and there could be more time spent pointing out the hazards during abnormal weather conditions.

I know it is said that we are getting too many signs on highways, but that when we have a snowy night, a slippery night, there should be some kind of a sign, a coloured sign, flashing "Slow Down, Bad Weather."

I think we have done a good job on bringing to the attention of the public good driving habits in normal weather, but I think more should be done in pointing out the hazards that exist, so that good driving habits continue when the weather changes.

Now, I have also noticed that good driving habits disappear when the policeman has gone. Hon. members will have noticed that if there is a provincial police car a mile ahead, the traffic will get into line. Cars adjust their speed, they keep a good distance.

We must remember the film that was shown in the highways committee indicating that a minor violation can cause death within a second resulting in a manslaughter charge.

I wonder if the hon. Minister has given any thought to an increase in provincial police staff and whether it would help to solve the problem. There have been many inter-departmental discussions in regard to whether there is a large enough staff on the provincial police force.

Hon. Mr. Rowntree: Well, I would have to say, Mr. Chairman, that I am not in a position to discuss or debate the adequacy of the provincial police force. But in the spirit in which this matter has been raised, I would like to say two things.

Firstly, I am most receptive to the observations of the hon. member about the safety programme and the need for emphasis on driving more slowly when in off-weather or under bad conditions. I would like to give the hon. member my undertaking that I will review that aspect of our programme forthwith.

With respect to the question of enforcement, the hon. member will appreciate that in the spirit of the safety programme—and that is our starting point in our department—we are looking for corrective measures as against a punitive approach. As a matter of fact, when we look at this whole programme of safety, whether it has to do with young drivers or teenagers or whoever it may be, I am not so sure, Mr. Chairman, that the whole subject matter does not boil itself down into a social problem which involves attitudes on the part of individuals, attitudes of tolerance and unselfishness.

The time to get at those attitudes, and get them steered in the right direction, is when people are young, and that is what we are trying to do.

Mr. Gisborn: Well, I would like to raise a point that I raised last year, and I believe the year before, in regard to splashguards or mudguards on large trucks. They are compelled to have splashguards on the rear wheels but on multiple axles they do not have them.

Certainly when a truck passes a passenger

car, particularly in the kind of weather we had in the past week, it is a real hazard. I wonder if there has been any effort made to see if the trucking industry cannot provide side mudguards to try to reduce the splash that is caused in that way.

Hon. Mr. Rowntree: Mr. Chairman, at the last session of the House, that is in the spring of 1960, there was an amendment to section 13 of the Act which read in subsection 2:

Every motor vehicle and every trailer shall be equipped with mudguards or fenders or other effective device adequate to reduce effectively the wheel spray or splash of water from the roadway to the rear thereof unless adequate protection is afforded by the body of the motor vehicle or by a trailer drawn by a motor vehicle.

I had not any observation about the effectiveness of that.

Mr. Gisborn: It has not been effective at all.

Mr. Troy: Is it now the practice to publicize, in the interests of Ontario traffic safety, the opening of driver examination centres? I notice we have one at Belleville, with 3 hon. Ministers attending; one at Guelph; one at Sudbury with the former hon. Minister; and then the hon. Minister of Transport at Barrie, and Chatham. I know we had one open in North Bay in April. I suppose it was too cold for them to come up there and formally cut the ribbon. I know the hon. Minister was not there.

Mr. MacDonald: Mr. Chairman, as I understand it, demerit points are not being deducted if the speed limit is not exceeded by more than 10 miles. How long is the department proposing to continue this policy?

Hon. Mr. Rowntree: Mr. Chairman, the reason why the penalty of demerits is not being applied in respect to offences up to 10 miles an hour over the limit is that, throughout the province, we are in the process of establishing and modifying speed limits in certain built-up areas, particularly in the 60,000 population and more suburban areas and around certain towns and villages. Some of that has been accomplished, but that whole programme has not been accomplished to date. It is being done gradually, and I would think that over the next few months it will be completed.

So long as those adjustments have not been completed, we feel it would be a completely

inequitable and unfair thing if we were to treat one person one way in one situation, and someone else another way for the same thing. We are trying to hold some degree of uniformity.

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Chairman, I am not one who feels that the hon. members of the Opposition are talking and asking questions just to be "ornery." I feel that they are genuinely interested in this particular field, in this particular problem.

A little bit has been said that has been derogatory, but I do not think this is the time to make derogatory statements about the efforts that are being made. I think this is a time for commendation. This is a time when we should commend the hon. Minister of Transport, and especially commend his hon. predecessor, for their efforts on highway safety.

Actually the incidence of highway accidents in Ontario is pretty good in comparison with the incidence across Canada. Two-fifths of the vehicles in Canada are registered in this province, but only one-third of the accidents take place here in this thickly populated area. Yet we, as members of the House, should not sit back and say everything is all right. I think we should bring the story before our people.

Have hon. members ever stopped to think that every day in Ontario, 3 persons, on the average, are killed? Every day 80 people are injured. Throughout Canada a total of 9 persons are killed each day, and 10 persons are injured every single hour.

Most of the accidents are preventable. They could be prevented with care, common-sense and courtesy. Hon. members know that as well as I. So the hon. Minister is trying to emphasize those 3 things. We have our highway safety workshops and they were introduced by, I believe, the hon. predecessor of the hon. Minister. The highway safety workshops are doing a great deal to familiarize the people of the province with highway safety.

I would like to give the figures for a 9-year period—I have not got the figures for 1960. Total accidents in Ontario for the 9-year period, 1950 to 1959, were 654,813; some 262,000 people injured and 10,746 killed. To this staggering loss of life, to this staggering property damage, we must add human suffering and then the cost in dollars and cents through insurance payments, law enforcement, loss of wages, medical expenses, and all the rest of it. I do not know how we can continue to go on and just smile at these things.

It would seem to me that we have to step up our programme of education. It would seem to me that we ought to do all in our power to familiarize our people with highway traffic safety, with the need for courtesy, the need for care.

I know a great many people say, "Well, why bother me about it? I never had an accident." That attitude is just plain apathy and indifference, and there is not any place for apathy and indifference when it comes to highway safety.

The point I would like to make is this, that it is not a government problem, it is the problem of every single driver; in fact, it is the problem of every pedestrian as well. It is not a government problem. It is a problem for everyone of us, and it is up to us to go out and sell safety, and to drive carefully, and to remind everyone that the life they save may be their own.

Mr. R. C. Edwards: Mr. Chairman, I just have two further questions on this. I should like to go on the record now, lest there be any misunderstanding because we have been asking a few questions over here, that I think the feeling of admiration for the present hon. Minister and for his ability, as well as for the previous hon. Minister, is shared by all hon. members on this side of the House.

With respect to the previous hon. Minister of Transport I would say that, in my opinion, there is no more conscientious Minister of the Crown in this House than the previous hon. Minister of Transport. I think we are sorry to see him leave his department but we wish him well in his new portfolio.

I should like to ask two questions further with respect to this report, Mr. Chairman. I should like to ask with respect to a study which was suggested at page 49 of the report, which took into consideration two different groups of drivers, both with the same background, and it was stated that a study was being completed to determine whether or not there was any relationship.

Before the hon. Minister gives me another offhand answer, as he did on the last question I asked him with respect to the report, I would remind him that there is really very little use in putting the material in this report stating that a study had been commenced and that work was proceeding if it were not his department's intention to give us the results of this study.

I should like to suggest that the results of that study be made available to the hon. members of the Legislature.

The question I should more particularly

like to direct to the hon. Minister is this: I note that, during the year 1960, a considerable number of highways had the speed limit changed and the speed limit was increased. I should like to know, now that he has had the opportunity of studying the results of the accidents as a result of those higher speed limits, what effect the higher speed limits have had upon the accident ratio, particularly concerning those highways upon which the speed limit was increased during the year 1960.

Hon. Mr. Rowntree: In answer to the two questions raised, the study that the hon. member refers to at page 49 of the department's 1959 report is still underway, and, secondly, a study of the effect and the relationship of increased speed limits in areas where it has been adjusted, the relationship to accidents, is underway at the present time as well.

Mr. R. C. Edwards: Mr. Chairman, I should like an answer to the question as to whether or not these results will be made available to other hon. members of the Legislature. Is it some sort of a hush-hush secret thing that is only available to The Department of Transport? It is about the third time I have asked this question tonight, Mr. Chairman, and I have been told that it is under study and being considered, but I have not had a direct answer from the hon. Minister.

Hon. Mr. Rowntree: Well, I do not know of any more direct answer I can give, Mr. Chairman, than to state what the facts are. I am instructed that the facts on both of the items asked about by the hon. member are under review and research, and the facts and figures are being related and correlated and collated with a view to a proper analysis being available. I know of no reason why the information when it is complete cannot be made available to the hon. members.

Mr. R. C. Edwards: I appreciate that answer. The hon. Minister told me before that he had not considered it, and gave me sort of an offhand answer, and I am pleased that they are going to be made available.

Vote 2103 agreed to.

On vote 2104:

Mr. MacDonald: Mr. Chairman, according to a news story in the *Toronto Telegram* on January 18, the Metro executive was considering a bylaw fixing driving school rates. There are two points I would like to make. One is that the executive, in considering it, was in receipt of a letter from the Metro

licensing commissioner pointing out that they would have the power to fix the rates and then—I am quoting from that letter:

The members of the commission are of the opinion that it would not be wise for Metro council to ask the provincial authorities to grant permissive legislation for this purpose.

I am a little puzzled as to why this is the case, because a gentleman by the name of George Vano made statements before the executive to this effect, that there was sale of actual government written exams and answers for fees up to \$50, that there were payments of up to \$100 to arrange the "right" government examiner on tests, that there were easier government tests out of town, with automobiles taken out of town, and charges are made for this service of between \$10 and \$20; and advertising of low prices to attract customers, then when customers get used to cars, prices go up.

In the light of that, assuming it to be correct, I am a little puzzled as to why the Metro licensing commission does not want some powers, even on a permissive basis, to try to regularize this.

But that is not our particular concern at the moment. The question I would like to ask the hon. Minister is: In any of these charges has his department or any other department—conceivably the racket squad of The Attorney-General's Department which seems to have lapsed into silence in the past year—

Hon. Mr. Roberts: It did a lot of good work.

Mr. MacDonald: I said it lapsed into silence; it may be doing good work but we have heard nothing of it. Has an investigation been made of these particular charges of what is nothing short of racketeering in the driving school field?

Hon. Mr. Rowntree: Well, the answer to the question is no, we have not conducted any examination into it. I have been made aware of the matter generally, and the point about this subject matter that puzzles me is why anybody would pay anybody a nickel for the information, because people can come to the department and get it for nothing. That is exactly the state of thinking I am in. I do not understand how anybody would have the nerve to charge for this sort of thing.

Mr. MacDonald: Well, maybe it is among the New Canadians, or people who think that

it is necessary to have instructions—all the more reason why it should be stopped, I think the hon. Minister would agree.

Hon. Mr. Rowntree: If anyone is being exploited with respect to our examination system, I would like to know about it.

Mr. MacDonald: If the hon. Minister would like to know about it, who is going to find out for him?

Hon. Mr. Rowntree: Give us just a little leeway.

Mr. J. Trotter (Parkdale): Mr. Chairman, I would just like to make a few remarks in regard to this vote 2104. Seeing that we have a new hon. Minister and a new Deputy Minister, it may be a good idea for them to put into effect one or two changes and improvements that could be needed, and these are two items I would like to use to illustrate the fact that things are not all as well as they might be in this Tory administration.

The first is the way people over 80, who have to go through a test in order to get their driver's permit, are treated.

An individual here in the city who is over 80—a very able and sprightly businessman here in the city—went up, as he has done for the last two or three years, to pass his test for those who are over 80, and he told me the routine that he had to go through. I said: "Well, will you put that in writing?" and he did so, and I am going to read it. I think through his letter, Mr. Chairman, I can explain to the hon. Minister the problems that people over 80 face in having to pass the test.

This letter, written to me, is dated January 18, 1961, and the correspondence goes on to say this:

I approve of the regulation requiring people over 80 years of age to take a driving test each year prior to the renewal of their driver's licence, but I submit that the routine of getting the test and licence should not be made so cumbersome and time-consuming as to constitute a road-block to their right to use the roads so long as they are competent to do so.

Let me give you my experience of recent date.

The first requirement is a visit to the east block of the Parliament buildings, not the most conveniently located spot in the city. I entered the motor vehicle office and went to a counter. There were no direction signs.

A clerk came to the counter and told me to see the checker. There was a queue of people waiting. I lined up and waited.

Finally the checker was reached. He glanced at my application form, which I had already completed, and said to go to wicket No. 1.

I did and waited. There was no one in attendance.

This stenographer was conversing on the phone. When this concluded she came to the wicket and said she would send a checker and disappeared. I waited.

Finally another stenographer took pity on me and volunteered to find a checker. And in time she did.

A young man clerk appeared, glanced at my application form and directed me to the counter marked Checker. I said I had already been there and was told to come to No. 1, whereupon the young man presented me with a form and told me to go to No. 4. I did.

Here there was another queue but finally I paid the clerk a dollar and was told to go to No. 7.

Here the clerk asked me when I would undergo the test for over-80 drivers and we settled on a time and he gave me what is headed, "Permit motor vehicle driver's examination" and directed me to a location east of Keele Street and south of highway No. 401 entitled "Drivers' examination centre," with printed instructions to applicants for a driving test, and a small map showing a road to traverse in order to get there. This is a good map and no doubt saved much explanation.

However, this is not my first trip to the examination centre where I have gone over the hurdles and through the hoops. You park in the lot provided and visit the office counter where you are told to wait in your car until an examiner is unengaged. When this courteous man reaches you, he sits in your car beside you and you drive around a maze of alleys in a lot laid out like a checkerboard to simulate streets with signs and intersections. This completed, you are then directed to drive around a city block where you encounter the usual city traffic.

The examiner returns you to the office with his report. Here you have an eye test in one office and a cross-examination on the rules of the road in another office, after which you pay some money, and at still another counter you get your driver's

licence good for one year, at the end of which the merry-go-round is re-enacted.

Now as I have said, I admit the necessity of over-80 drivers' tests, but I submit that our senior citizens are entitled to some consideration. Why all this routine—

Hon. Mr. Grossman: Is the hon. member still reading?

Mr. Trotter: Incidentally, I got this from a very able businessman in the city—I am still reading. All this is from this man.

If I may interject here into this letter, he is exceptionally able. This man told me this and I said, "Will you put that in writing?" and he gave me signed copies but he asked me not to reveal his name, and some of the hon. members would probably know him. I will continue with this paragraph:

Now as I have said, I admit the necessity of over-80 drivers' tests, but I submit that our senior citizens are entitled to some consideration. Why all this routine, red tape, waste of time and annoyance? What is the need of the visit to the Parliament buildings? Why cannot appointments with an examiner be made by phone, and why cannot the office where the tests are made, and which finally issues the licence, conduct the entire transaction?

I am not criticizing the clerks and officials whom I have found to be both courteous and kindly, but the system which they are called upon to operate is cumbersome and unnecessarily complicated and is wasteful of the time of the department and of the unfortunate applicant.

That, sir, is the completion of the letter.

And now, Mr. Chairman, I plead to the hon. Minister, on behalf of these senior citizens—and a good many of the hon. members are not too far off taking the 80-year-old driving test—I submit that they should give them far more serious consideration. And incidentally, this man was able to pass the eye test with no glasses, and certainly he is most observant as to what went on. So I submit, as one suggestion for a new hon. Minister, that that system be made less cumbersome and that a roadblock not be put in the way of people who are over 80 and still very capable of handling themselves as drivers of cars.

Hon. Mr. Rowntree: Mr. Chairman, I agree with what the hon. member has said, and I would be glad to take steps to see that such a thing does not recur, if he will give me some identification of the day on which this

happened, so we can take it up with the staff.

Mr. Trotter: I will be glad to give the hon. Minister the date.

Hon. Mr. Rowntree: I think the letter should have been written to the department in the first instance in any event.

Mr. Trotter: Mr. Chairman, I have one more matter I would like to bring before this House, and that has to do with section 35 of The Highway Traffic Act in the revised statutes of Ontario for 1960. Now, this section and this Act, of course, have been discussed on many occasions, I believe, but nothing has been done, and I think it important that it be re-emphasized. It has to do with the brakes on motor vehicles. There has been mention made here this evening of the safety of vehicles but I wish to deal with the section as it is worded.

In 1956, the old section 12 in the 1950 statutes was revised. It was supposed to make the Act more easily administered and it was supposed to make motor vehicles safer. Well, I think—and I shall illustrate this—as a result of the amendment made in 1956, the only people who have benefited are the automobile manufacturers. It has made it far more easy for them to put out a cheaper type of brake system.

Now before this section which used to be section 12 of The Highway Traffic Act—and I am dealing with subsection 1 as it was worded in 1950, it said that:

Every motor vehicle other than a motorcycle when operated upon a highway shall be equipped with brakes adequate to stop and to hold the vehicle, having two separate means of application, each of which means shall apply a brake or brakes effective on at least two wheels, and each of which shall suffice to stop the vehicle within a proper distance and each means of application shall be so constructed that the cutting in two of any one element of the operating mechanism shall not leave the motor vehicle without brakes effective on at least two wheels.

Well now, I submit, that as they amended this Act, and as it is now section 35, in the Act as it now stands for 1960, that it is watered down and it is not nearly as effective. This new Act says this:

Every motor vehicle other than a motorcycle, when operated on a highway shall be equipped with at least two braking systems.

Now in the old section it said "it shall be equipped with brakes adequate to stop and to hold." In other words, under the old section the automobile would have two sets of brakes that could stop and hold, but under the new section it reads:

—when operated on a highway shall be equipped with two braking systems, each with a separate means of application and effective on at least two wheels, one of which shall be adequate to stop the vehicle as required.

Mind you, "one" of which will be adequate to stop the vehicle, as required by regulation made by the department, and the other which shall be adequate to hold the vehicle stationary.

Mr. Chairman, on some of these new cars even a parking brake is not worth too much. If the regulations were drawn in such a way that they had real teeth in them, then I could see where this new section would be of more use than the old. But nothing new has been done about the regulations. As a result, we have a situation where the cars are not as safe as they should be and could be.

The best illustration I have of this, Mr. Chairman, and why I bring this to mind, is that a little over two years ago a very serious accident was averted only by an act of God in Barrie. A school bus went down a hill on the main street of Barrie. One child was seriously injured, but a number of others were fortunate that they were not killed. If the bus had had two sets of brakes, or had a brake system such as they should have in this province, that accident would not have happened.

Early last fall, on the lakeshore highway in Toronto, a person was killed because the brakes of a car failed. In Brantford not long ago, someone was killed because the parking brake did not hold. Again in Barrie, about 18 months ago the same type of accident happened.

This type of accident is increasing, and especially the type of the one in Barrie with the school children. That is the one which I can hold up as an example of the danger of this section as it now is. These things have happened since this new section was enacted.

I suggest to you, Mr. Chairman, and to the hon. Minister that, if he is going to make this Act really effective, he should put some teeth into the regulations. There is certainly danger in not nailing down and setting out what should be done in the Act because, when it is left to regulations, it never really comes

before the House, and does not get the attention it deserves.

This is a small section. It is not the type of thing that gets the interest of the public. It does not get their interest until some serious accident occurs.

If we are to avoid accidents, I say it is the duty of the government and the duty of this particular department to see to it that we have effective legislation to the effect that the manufacturer of automobiles, and those imported into this country, put on a proper braking system. I wind this up, Mr. Chairman, by again mentioning the old Act which specifies two sets of braking systems adequate to stop and to hold a vehicle.

Mr. J. P. Spence (Kent East): As you know, Mr. Chairman, this is the first time the hon. Minister has presented the estimates of The Department of Transport. I was somewhat disappointed that he did not go further. I would like to have seen him announce that he was going to reduce the licence fees for farm trucks in this province.

I may say to the hon. Minister that this was spoken of on both sides of the House last year. Two strong farm organizations who work for agriculture had this in their brief which they presented to the government: the Ontario federation of agriculture and the farm union. This would be one of the things that might cure some of the unemployment in this province.

I know, if there was a reduction in licence fees for farm trucks, that many farmers would buy them instead of using tractors and wagons on highways which would reduce accidents on our highways at the present time.

We have generally enough trucks until the rush time of harvest. At the rush time of harvest there are not enough trucks to go around. If the hon. Minister could, or would, reduce the licence fees it would help considerably. A good many more farmers would buy trucks. It would help the manufacturers of trucks and the industries with which truck manufacturers deal. There would be more trucks made.

We find that since they have reduced the fees for farm trucks in the western provinces they have reduced the fees for farm trucks in many of the states.

Such a move would help considerably, and I know the farmers would appreciate it. It would help the unemployment situation. It would create a greater safety measure on our highways and it would assist the truck industry.

Mr. MacDonald: Since we have a new hon. Minister I want to try an old question.

Hon. Mr. Rowntree: An old question?

Mr. MacDonald: Four years ago this government spent some tens of thousands of dollars on a select committee to look into highway finance. The hon. Minister of Education, who I trust can do a bit of educating on this issue, was the chairman of it. A very good chairman he was.

They brought in a unanimous recommendation signed by all the Tories as well as the Liberals and myself as the CCF representative on it. On this specific issue we all agreed; we were unanimous.

There were a few other things I did not agree with. Within two weeks I was proven right because the government brought in a change of taxing policy.

Let me get to the point on which we were unanimous. That was that the trucks of this province which do most to destroy our highways and represent half of the requirements for the construction of our highways—50 per cent of the cost—are not paying adequate fees. There was a unanimous recommendation that we should consider some weight-distance tax or equivalent thereof to get some equalization of their contribution to highway financing. Each year I have raised the question as to what is happening to this. Mr. Chairman, again it becomes rather simple.

We were all wrong then, including the Tories, in this unanimous recommendation that something should be done or the government has been wrong since because nothing has happened. I have been told during one or two of these intervening years that it is being studied.

My question to the hon. Minister is this: Can he inform me as to whether it is being studied? If it is being studied within his department, or, most important of all, if there is any prospect that it is going to be implemented in the coming year?

Hon. Mr. Rowntree: Mr. Chairman, anticipating such a question, I have a statement I would like to read.

A differential fuel tax is applicable insofar as diesel fuel is concerned because of the lower tax return per gallon based on use, which presently is 18.5 cents. A weight-mile tax requires a complete system of weigh scales and an elaborate procedure of administration in order to protect against evasion. The tax, as it is applied in the United States' jurisdiction, such as New York state and Oregon and the actual mile tax in Ohio, has

experienced serious difficulties in regard to evasion. This is largely controlled in the state of Oregon through a very complete system of inspection with elaborate reporting requirements.

The Department of Transport here has instituted a complete study into highway finances.

In the meantime, through the system of graded registration fees, there has been achieved a fair measure of equity between the tax paid by various vehicles still maintaining a low cost on administration of approximately 1.5 per cent. The registration and licensing revenue from commercial motor vehicles in this province represents 49 per cent of the total revenue from this source. At the same time, these vehicles represent 22 per cent of the total motor vehicles registered. The department has carried out jointly with The Department of Highways an accelerated programme of instituting weigh scales. Today, we have 31 permanent scales in operation across the province, plus 6 portable scale units.

It will be of interest to hon. members to learn that, as a result of an intensive programme of inspection by 90 inspectors, the amount of overloading and the percentage of such overloads have been drastically reduced to an average of .5 per cent of the vehicles checked. This means that the weight limits set by statute are being followed by the industry and that damage to the highways from this cause has been almost completely removed.

In the light of those observations, it would be my conclusion, at this stage of my career as Minister, that we should continue along and consider the next set of statistics to see if improvement continues.

Mr. MacDonald: Mr. Chairman, at this hour of the day I am not going to deliver the length of speech that that statement should provoke.

There are a number of gross irrelevancies in it. Sure, the government corrected the differential between diesel fuel and gasoline by increasing diesel fuel up to 18 cents. All that did was to eliminate the inequity as between gasoline trucks and diesel fuel trucks. It has nothing to do with the issue I am raising.

Secondly, all this argument sounds very plausible, but I suggest that it is a little specious that we have come to the point where these trucks with their weights are not constituting the same wear and tear on our highways. These trucks still weigh 70,000

to 80,000 pounds in some instances, and no argument or rationalization of the issue is going to remove the fact that they will be pounding our highways to a pulp unless we build highways of the kind we are doing now.

Mr. Chairman, I would just like to remind the House, as I have done many times before, of a study made in California which has been disputed by the automotive transport association—I will have to pay tribute to the automotive transport association as the most effective lobbying group in this country. They have lobbied this government to a standstill for 5 years.

Mr. Chairman, in the state of California, where they made a study of this, they came up with these figures—and we were told by people from New York state, where conditions are not too different from ours, that they would be generally applicable here—that 52 per cent of the cost of the modern highway derives from what must be put into that highway to meet the needs of 4 per cent of the traffic, namely, our big trucks.

In other words, our big trucks are practically doubling the cost of highways we could build today if we had only light cars running on them. So all these arguments, I suggest to hon. members, are specious.

The problem is still with us, and the unanimous recommendation of the committee of 5 years ago still awaits action. I can assure the hon. Minister that—if he wants any confirmation of it, the hon. Minister of Education can confirm it—we went through all these arguments then. We had experts in from the United States, we had our own experts, we went into all that, and in all our analyses of all these arguments we came up with the unanimous recommendation which the government now chooses to set on the shelf.

I repeat, the automotive transport association is the most effective lobbying group in this country, and until their lobbying can be countered to the point where we bring in some weight-distance tax, we are not going to have an equitable tax structure.

Hon. Mr. Rowntree: To set the record straight, neither the automotive transport association, nor any representative, nor any of its members, have ever discussed this subject with me.

Mr. MacDonald: Well, they may not have discussed it with the hon. Minister but—

Hon. Mr. Rowntree: Well, I want to get the record straight.

Hon. J. P. Robarts (Minister of Education): I was chairman of the committee and undoubtedly we did bring in this recommendation. On the other hand, we have heard the same old record again as in every year—with due respect to the hon. member for York South—we have had the same thing every year. The figures do not change, even the figures he quoted tonight are not correct in the light of the figures which the hon. Minister of Transport has just given. The percentage, for instance, of the traffic on our highways, for truck traffic, is still 4 per cent, which information we obtained in that committee, and even at that time he must admit there was a study going on which we thought would be very interesting.

I noticed in the press—I cannot quote it exactly but I noticed in the press in the last week—about the study where trucks have been run over the roads for a great number of months or weeks until the highways did break down. Now this information is at last going to be available to us, and then we may draw the necessary conclusions. The hon. member for York South mentions specious argument; really many of his conclusions are specious. We will now be able to really establish what we attempted to establish in that committee 6 years ago, or 5 years ago. I cannot quote chapter and verse, but I know I have read in the press that at long last the results will be available and then we will be able to establish whether in fact the trucks do break down our highways and how much thickness we need of this, that and the other thing in construction. Then perhaps we will be able to talk a few facts rather than ideas.

Mr. MacDonald: Well, I just remind the hon. Minister of one point. When we went through all this 6 years ago, we were sufficiently convinced of its validity that, while we acknowledged that there would have to be some study, the building of weigh-scales and so on for our enforcement here, we suggested the immediate implementation of the equivalent of the weight-distance tax could be done on a rough grading which would not be too inequitable.

This again was a unanimous decision—immediate implementation of a rough graded tax which would bring in the equivalent of the weight-distance tax revenue. That was 6 years ago. Will it take another 6 before we can come to a conclusion?

Mr. Innes: Mr. Chairman, I would like to ask if the hon. Minister of Transport does have uniform dates to start the issue of

licence plates throughout the province. In the office at Chatham they were open on December 30 and licence plates were issued; they were not issued in our district until January 3. This caused a lot of dissatisfaction among some people who had bought and purchased new cars in our particular area who had to buy licence plates or else wait until January 3. In one particular instance, a family were travelling south of the border to Florida, and they wanted to get their new licences. I do not think it was right that in one part of the province, licences should have been issued on a Friday and not issued in another portion of the province until January 3. I wonder if there is any clarification on that.

Hon. Mr. Rowntree: Yes, Mr. Chairman, the rule is that the licences will be available for sale and distribution on the first business day of the new year. There is no authority whatever for the sale and distribution of the licence plates in December.

Mr. Innes: Was that an error on the part of the Chatham office?

Hon. Mr. Rowntree: I accept the hon. member's description of what took place. I say they were wrong.

Mr. Innes: How many more were there that issued them on December 30?

Hon. Mr. Rowntree: This is the first time that the situation has been brought to my attention.

Vote 2104 agreed to.

Mr. Troy: I am pleased to see that the hon. Minister did not treat the suggestion of the hon. member for Kent East in regard to farmers' licences as flippantly as he did the very fine suggestion from the gentleman from North Bay. However, I am not going to labour on that point.

But in July of last year, the Ontario Northland Railway commission purchased the Star Transfer Company, a public carrier which is based at Timmins and operates between Toronto and North Bay. Also, I understand that negotiations are under way for the purchase of another big public carrier, the Walter Little Limited of Kirkland Lake. I understand further that the Ontario Northland Railway commission, by virtue of the Act which set it up, has the authority to operate trucks and buses without being compelled to comply with the requirements of the public carriers under the PCV and The Public Vehicles Act.

Now, can this new agency of the government operate as an independent agency from the railroad, without having to pay public commercial vehicle fees?

Hon. Mr. Rowntree: I think I can answer that directly as a matter of government policy. The hon. member is referring to the purchase and acquisition of Star Transfer in northern Ontario by the Ontario Northland Railway. I can say quite firmly and definitely that Star Transfer, whether it be owned by the Ontario Northland Railway or not and regardless of any legislative provision, will not place its competitors in an unfair position with respect to its licences. If presently it is paying its licences, it is our intention that it will be kept in that position.

Mr. Troy: I appreciate the hon. Minister's answer because I knew before this the carriers were much concerned.

Mr. Newman: Mr. Chairman, I would like to make a suggestion to the hon. Minister concerning new car purchases after a set date. I am arbitrarily selecting a date, say November 1, and that all new cars purchased after this date be issued licence plates for the ensuing year. Naturally one would not issue them at the same price, one could simply have a fee added. This will simplify some of the work in the hon. Minister's department. The individual would buy the one plate which would last him 14 months, in this case, rather than just two months after which he would be getting a new licence plate the first of the year.

Mr. J. Chapple (Fort William): There is one thing I want to bring up tonight, Mr. Chairman, and that is the matter of reciprocal licensing for trucks which was discussed a year ago at the twenty-fourth annual convention of the northwestern chambers of commerce in Geraldton. The former hon. Minister of Transport said at that time it would be gone into and something worthwhile worked out. Now a year later, a resolution concerning this was adopted at the twenty-fifth annual convention of the northwestern chambers of commerce in Dryden, and it reads this way:

WHEREAS the province of Manitoba and Ontario have been considering the problem of reciprocal licensing for trucks for several years, and

WHEREAS further delay will tend to establish patterns of truck traffic through seaway ports other than in Canada, and

WHEREAS further delay will tend to continue the existing truck traffic from

eastern to western Canada through the USA resulting in a loss of revenue to Ontario,

THEREFORE be it resolved that the northwestern Ontario associated chambers of commerce urge the provincial government to expedite proceedings specifically with the province of Manitoba to establish reciprocal licensing for trucks.

Hon. Mr. Rowntree: Well, Mr. Chairman, I think I can answer the query of the hon. member. The hon. member is talking about reciprocity with the province of Manitoba.

At present, most trucks and buses engaged in interprovincial transport in Canada must pay the full annual licence fees of each province through which they pass, with the exception of the trans-Canada highway system which is presently nearing completion. The problem of reciprocity thus gains importance.

Now, the negotiations with the province of Manitoba are continuing. There were communications as recently as this week from our department. Tomorrow morning I am meeting with the northwestern chambers of commerce, and later in the week I hope to be at the Lakehead to make an on-the-spot inspection of certain aspects of this subject.

Mr. Chapple: What about some sort of an agreement with those states south of the border through which these trucks are passing? Has the hon. Minister had any dealings with them along these lines? Or has it been considered yet?

Hon. Mr. Rowntree: We have at present no reciprocity with the states of the United States to which the hon. member refers.

Mr. Chapple: The hon. Minister is not considering any yet?

Hon. Mr. Rowntree: Yes. If I can ever get these estimates through, I will be glad to get on with the subject.

Mr. Innes: I have one question, Mr. Chairman, I would like to ask of the hon. Minister and that is what methods he has taken to overcome a situation referred to by a judge in London, and I will read a portion of this article:

JUDGE BLASTS REGULATIONS, JAILS DRIVER

In passing sentence, Mr. Justice Moorhouse blasts laxity of provincial licensing regulations. A man, who with his brothers operate the Delmar lunchbar on Dundas street, was charged following a 4-way car

collision on highway No. 22 on July 17, last year, in which Mr. Robb was killed and 11 other persons injured.

The 27-year-old man who came to Canada from Greece a little less than 3 years ago can neither speak, read nor write English. He followed the proceedings of his trial with the help of an interpreter sitting beside him at a rail at the prisoner's box.

"I do not think the citizens of this province approve indiscriminate granting of motor vehicle licences," Mr. Justice Moorhouse said, "and how else could this man have been in control of such a dangerous vehicle? There should be an investigation into how this man got a licence."

No doubt the hon. Minister or his department are aware of this situation.

I would like to know what methods are being determined to try to possibly overcome this unfortunate situation where immigrants are not too intimately acquainted with the English language and possibly the road signs. Is there a study being made?

Hon. Mr. Rowntree: Well, Mr. Chairman, I am aware of the situation to which reference is made, and I am also aware of the statement, published by the press, made by his lordship Mr. Justice Moorhouse.

The driver in question took the examination, the full 4-point test at London in 1958 and he drove in 1958, had his licence renewed in 1959 and drove when renewed again in 1960. So he drove for a period of some 3 years without accidents of any kind. And then this accident took place.

It is not for me to comment on the observations of his lordship, but I am satisfied, from the investigation which I have made personally, that the test was properly conducted and that due and proper allowances were made with respect to the language barrier at the time.

Mr. Innes: I would ask the hon. Minister if there are special exceptions made in these particular cases?

Hon. Mr. Rowntree: There are, and the applicant is cross-checked as to his recognition of signs, quite apart from the language factor.

Hon. Mr. Frost moves the committee rise and report certain resolutions, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: The committee of supply begs to report certain resolutions and asks leave to sit again.

Report agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, in moving the adjournment of the House, I may say that the House does not sit tomorrow, but at 10 o'clock there is a meeting of the committee on health. On Thursday, we will have the estimates of The Department of the Provincial Secretary and Citizenship and the Throne debate. There are also matters on the order paper

which might be dealt with if we have the opportunity, and there will be a night session on Thursday.

Mr. Speaker: I might point out that on Thursday, at 2.45 p.m., there will be an unveiling ceremony in the Speaker's office, the unveiling of the portrait of the previous Speaker of this Legislature, the Reverend A. W. Downer. Hon. members are invited to attend the ceremony of the unveiling.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.10 of the clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, February 9, 1961

Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 9, 1961

3 O'CLOCK P.M.

The House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as our guests, students from Atkinson school of nursing, Toronto Western hospital, and the Orde public school, Toronto, in the west gallery; and Plains Road public school, Toronto, in the east gallery.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

HOSPITALS FOR EMOTIONAL OR PSYCHIATRIC DISORDERS

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to provide community hospitals for the care and treatment of persons suffering from emotional or psychiatric disorders."

Motion agreed to; first reading of the bill.

Mr. K. Bryden (Woodbine): Does the hon. Minister intend to give an explanation at this stage?

Hon. M. B. Dymond (Minister of Health): **Mr. Speaker,** this new Act is designed to provide provincially subsidized but locally operated psychiatric centres for short-term treatment for all forms of mental disorders.

THE ENERGY ACT

Hon. R. Macaulay moves first reading of bill intituled, "An Act to amend The Energy Act."

Motion agreed to; first reading of the bill.

THE POWER COMMISSION ACT

Mr. R. M. Whicher moves first reading of bill intituled, "An Act to amend The Power Commission Act."

Motion agreed to; first reading of the bill.

THE SUCCESSION DUTY ACT

Hon. J. N. Allan moves first reading of bill intituled, "An Act to amend The Succession Duty Act."

Motion agreed to; first reading of the bill.

Mr. V. M. Singer (York Centre): Will the hon. Provincial Treasurer tell us the purpose of the Act?

Hon. J. N. Allan (Provincial Treasurer): **Mr. Speaker,** the amendment has two purposes:

1. To extend the complete exemption to dispositions and bequests made to a conservation authority within the meaning of The Conservation Authorities Act;

2. To amend the notch clause so that, firstly, the amount of duty payable by a dependant at no time exceeds one-half of the amount by which the benefit to the dependant exceeds the individual dependant allowance, and secondly, the amount of duty payable by dependants at no time exceeds one-half of the amount of the benefit to the dependant.

JUVENILE AND FAMILY COURTS ACT

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to amend The Juvenile and Family Courts Act."

Motion agreed to; first reading of the bill.

THE MAGISTRATES ACT

Hon. Mr. Roberts moves first reading of bill intituled, "An Act to amend The Magistrates Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, if I may I will explain these two bills together since they are related.

The first one, amending The Juvenile and Family Courts Act, makes provision to expedite the disposition of matters in family and juvenile courts by extending the jurisdiction of the judges in the manner set out in the bill enabling them to function as do magistrates. Also, the provision which makes judges of juvenile and family courts *ex-officio* magistrates is being transferred for convenience from The Magistrates Act to The Juvenile and Family Courts Act.

Mr. Speaker: Orders of the day.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before the orders of the day I might say that a week ago, in partial reply to a question asked me before the orders of the day, I informed the House that the evidence in the case of Regina versus Linden and Hall had just been received from the court reporters a few days previously and that it was being examined by the law officers of the department.

The examination was completed this morning, and earlier today notice of appeal was prepared and placed in the hands of the Ontario provincial police for service. Actually, service has been effected, at least on one of the parties concerned, and the notice of appeal is in very broad terms.

It reads:

Take notice that pursuant to section 584 of the criminal code the Attorney-General for Ontario will appeal to the court of appeal against the verdict of acquittal on the following question of law:

1. The learned trial judge erred in law, in instructing the jury at the conclusion of the case for the Crown, to return a verdict of not guilty on the grounds that there was no evidence of the commission of the offences alleged in the indictment.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, I beg leave to present to the House the annual report on births, marriages and deaths for the year 1960.

Hon. L. M. Frost tabled the answer to question No. 4 as follows:

4. Mr. D. C. MacDonald (York South)—Inquiry of the Ministry:

What is the annual salary of the chairman of the (a) Ontario Hydro-Electric Commission; (b) Ontario hospital services commission?

Answer by the hon. Minister of Energy Resources (Mr. Macaulay) and the hon. Minister of Health:

(a) \$30,000.

(b) Remuneration for services as chairman and commissioner Ontario hospital services commission, \$25,000.

Mr. Speaker: Orders of the day.

THIRD READINGS

Bill No. Pr3, An Act respecting the board of trustees of the Roman Catholic separate schools for the town of Port Colborne.

Bill No. Pr8, An Act respecting the Port Arthur YM-YWCA.

Bill No. Pr12, An Act respecting the town of Richmond Hill.

Bill No. 26, An Act to amend The Forest Fires Prevention Act.

Bill No. 28, An Act to amend The Ontario Northland Transportation Commission Act.

Bill No. 29, An Act to amend The Research Foundation Act, 1944.

Bill No. 30, An Act to amend The Bills of Sale and Chattel Mortgages Act.

Bill No. 31, An Act to amend The County Judges Act.

Bill No. 33, An Act to amend The Coroners Act.

Hon. L. M. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

House in committee of supply, Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF PROVINCIAL SECRETARY AND CITIZENSHIP

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Chairman, the earliest reference that I have been able to find to the office of Provincial Secretary is in the civil list of 1855. I was interested in looking this up because, while one half of the department name—that of the Provincial Secretary—is among the oldest, the other half is, instead of 95 years old, a little over 9 days old. I refer to The Department of "Citizenship."

Then too, I was interested in looking across daily at the hon. member for Brant (Mr. Nixon) and, in having walked through the corridor to the library the other day, to have

noticed by the inscription on the walls that Provincial Secretaries have a remarkable record of longevity. There appear to be more living Provincial Secretaries by far than among the Ministers who hold any other Cabinet post.

The hon. member for Brant was first appointed to the office of Provincial Secretary in November, 1919.

Mr. Chairman, other hon. members of this House, including myself, were in swaddling clothes at that time—as the hon. Minister of Energy Resources (Mr. Macaulay) points out, he was not even on the scene at that time.

Since that time, there have been 12 other Provincial Secretaries and, with the exception of two, all are alive. They are:

The hon. member for Brant in 1919; Mr. Lincoln Goldie in 1923; Mr. George Challies—presently serving on the St. Lawrence waterway commission—in 1931; the hon. member for Brant again in 1934.

Incidentally, his length of service is, I think, the longest of any Provincial Secretary.

Then Mr. Norman Hipel became Provincial Secretary in 1942; the hon. member for Brant again in 1943; the man whom we love so much, Mr. George Dunbar, in 1943; hon. Roland Michener—presently the Speaker of the House of Commons—in 1946; hon. Dana Harris Porter—presently the chief justice of Ontario—in 1948; Mr. George A. Welsh, one of our sheriffs, and the hon. William McAdam Nickle—now also the hon. Minister of a very young department in some respects, Commerce and Development—in 1955.

And again Mr. Dunbar in 1955; the hon. member for Grey North (Mr. Phillips) in 1958; and now I have the honour to succeed that worthy list of gentlemen.

Only two, Mr. Goldie and Mr. Hipel, are deceased; all others are alive and doing extremely well, both in this House and without.

I noticed the other day, too, while walking in the corridor on the third floor, the painting of Sir John Gibson, who was up there as Lieutenant-Governor. But I also noted that he was Provincial Secretary in 1889, some 70 years ago.

I mention this, Mr. Chairman, because some 25 years ago I had the extremely good fortune of winning a scholarship known as the Sir John Gibson scholarship given in Hamilton. Little did he know when he left that money that some day a recipient of his scholarship, named in his honour, would be filling the same place as he filled some 70 years prior.

Now, all those worthy gentlemen, like myself, could not have carried out their offices without the staffs they had.

I should like to make reference now to a few, to others some time in the future.

The Deputy Minister (Mr. Robert Cudney) will not be with me today. Several weeks ago he was hospitalized, but, Mr. Chairman, I am pleased to say he has made a splendid recovery and will be rejoining the department in a matter of a few days. Mr. Cudney's reputation throughout the length and breadth of this province, and throughout the Dominion of Canada, in matters of corporation is one of high esteem.

The department suffered a loss this past summer in the death of a very important person, the secretary to the Minister, Mrs. Helen Fraser. It was not my pleasure to have known her intimately, but she had served the Prime Minister, the Lieutenant-Governor, the Attorney-General, the Minister of Municipal Affairs and under 3 Provincial Secretaries. Her loss will be felt.

There have been some interesting changes within the department. As most hon. members probably know, to the high and ancient office of Queen's printer was appointed last fall, on his 50th birthday, Mr. Frank Fogg. I was interested in learning that Mr. Fogg had served for some 33 years in the office of the Queen's printer, starting at the bottom of the ladder, in some respects, as an office boy, and now appointed to the very top.

Mr. Spindloe, who will be with me this afternoon, has been appointed chief accountant after a service of 10 years in the department. I am exceedingly pleased that, as a result of the transfer to which I shall refer later in some detail, the directorship of the citizenship branch will be under the person of Mr. Stephen Davidovich. He has been in the civil service for over 12 years and is, in my opinion, one of the most able persons in the field of citizenship in the province of Ontario. He will bring his personality and knowledge to the benefit of the department.

Mr. Chairman, the hon. members of the House are familiar in detail, I believe, with the work of The Department of the Provincial Secretary as it has been outlined in the past. It is charged with the secretarial work of the government. It has the administration of some 12 statutes, dealing in particular with matters pertaining to corporations, marriages and vital statistics.

In relation to corporations, the incorporations' office administers all matters relating to those details of corporations.

As time goes by, more and more people are seeking the advantages and benefits of incorporation and the work of the department has increased accordingly. Ten years ago the number of companies incorporated in one year was 1,800. In the present fiscal year we will have incorporated 7,000.

That is an all-time record and compares with 600 in the year 1943 and with some 1,200 in the year 1920, at the time the hon. member for Brant held office.

This company corporation work is of a highly technical and responsible nature, calling for much experience and the exercise of a great deal of judgment. I am pleased to note that the increase in numbers of incorporations is an indication of the expanding economy of the province during these past few years.

The marriage office has the administration of The Marriage Act and the distribution of marriage licences throughout Ontario. In the past fiscal year, some 47,000 marriages were solemnized in Ontario.

The office of the registrar-general has regard to all matters relating to statistics. I have filed the report for the past year and it will be available to hon. members. I may say that it is as of December 31, 1960, which is at the end of the last year.

It is interesting to note that in 1960 the number of births was 160,000; the number of deaths was 51,600, which makes a natural increase of 108,000. The number of births has increased over last year by 1,735; the number of deaths has increased by 836.

I notice, too, that in 1920 the number of births was 72,000 and the number of deaths 40,000, a natural increase of 32,000. The population at that time was close to 3 million. So the hon. member for Brant has seen, in the course of his service in this Legislature, an increase in population of 100 per cent—from 3 million to 6 million.

I was pleased to note that two million of that increase occurred in the last 17 years, since 1943—although the hon. member for Bruce (Mr. Whicher) says we cannot take the credit for all of that.

Mr. Chairman, Mr. Speaker is not in his chair and we are sometimes apt to be under the impression that his functions are solely in filling the chair which he occupies in this House. But I assure the hon. members he is a much busier man than that indeed. The bulk of his work is done outside the 4 walls of this chamber.

In theory, all members of the Legislative staff come under the Speaker except the

provincial auditor and the law clerk. Opposition services, the press gallery, messenger staff, page boys, sessional stenographers, *Hansard*, are all under the jurisdiction of the Speaker's office. His job is becoming really an all-year round, daily attendance chore.

In between sessions the Speaker's office is, as hon. members of this House know, a clearing house for private members. A stenographic staff is available for such services as they are in a position to render.

No small part of the service rendered by his office is that of arranging for, and caring for, visitors to this building, not only the many thousands who come when the House is in session and whom we, as hon. members, have the pleasure of greeting, but at other times of the year. Guides are seconded to the Speaker's office by The Department of Travel and Publicity.

The Speaker is frequently called upon to represent the government and the Legislature at various nonpolitical functions, and in the entertaining of dignitaries who visit this office.

In that respect Mr. Speaker presently fulfills that office very capably, as have all the Speakers before him.

Sitting at your right hand, Mr. Chairman, is the clerk of the legislative assembly, the funds for whose office are also included in the estimates of the Provincial Secretary. We are also apt to believe that his function is solely or mainly sitting at that desk.

Not so. Through his hands all the work of the assembly passes. Petitions, including petitions for private bills, are lodged with him. All bills which are introduced for consideration by hon. members of this House are channelled through him and are in his keeping from introduction to final disposition. All the records of the assembly are the responsibility of the clerk.

Also, the administrative work in connection with the committees of the assembly, standing and select, are under his jurisdiction and such committees are summoned by his notice.

Sometimes a major work is taken for granted because it is done so smoothly, but we, as hon. members, might take stock of the tremendous volume of detail that passes through this House. I think it would be proper for me to move a motion of thanks to the very capable clerk who so expeditiously attends to all our needs in this respect.

Without going into the details of the funds for the department, Mr. Chairman, I should like to bring to the attention of the hon. members the fact that there is an overall

increase of some \$510,000. That may not have been noticed by hon. members in comparing the total sum of this year as compared with last. I draw to the attention of hon. members that out of last year's funds should be deducted some \$509,000, which was for the alcoholism and research foundation, which has been transferred to The Department of Health and will be appearing in the estimates of The Department of Health. So if the hon. members take the figure of \$509,000 away from last year and compare it with the sum for this year they will note that there is an increase of \$510,000.

Roughly the increase is made up as follows:

For sessional purposes and postage, some \$315,000—that affects all hon. members of this Legislature; for hospitality, \$10,000; for other salary and maintenance, \$45,000. Which total makes up some \$370,000. And then a figure, additional within the department, of \$140,000 is included in the main office estimates for citizenship. The added to and enlarged section for citizenship at \$140,000 is made up of a \$90,000 transfer, roughly, from The Department of Education and a \$50,000 increase to that section which had already been carried within The Provincial Secretary's Department.

Mr. V. M. Singer (York Centre): What vote does that appear under?

Hon. Mr. Yaremko: The main office.

Mr. Chairman, that brings me to the discussion on the past and the added to and enlarged functions of the department with the addition of responsibilities for citizenship. This is the section which I am looking forward to in the immediate future with a great deal of enthusiasm, excitement and some regard for the potentiality which now lies within the department.

As I stated, of the increase of \$140,000 there is a transfer from The Department of Education of roughly \$90,000 of salary and an item which appears in last year's estimates of The Department of Education of some \$60,000 which the hon. members will have noted the last year under the heading of "citizenship." Those amounts have been transferred to The Department of the Provincial Secretary and Citizenship and there have been funds placed in addition for that particular type of work.

I recall, **Mr. Chairman,** that back in 1952—which seems only a matter of a little while ago—in my maiden address in this House, I made reference to this section as it then existed in The Department of Education

under the community programmes branch. I stated at that time:

I should like to make special reference to the policy and work of The Department of Education in respect to the newcomer. The work of the community programmes branch in this regard is known in most cases only to those in direct contact with it, yet it is so admirable and such a tremendous departure from the indifference that existed in those years, when immigrants first started to come to Canada many years ago, that it certainly deserves more than a mere mention.

At that time I went into a little more detail, and I commended most heartily the then Minister of Education, the late Dr. Dunlop, who had a great part to play within that community programmes branch and the extension of its activities.

That section of the community programmes branch had as its functions the following lines: They had a citizenship advisor and a staff which was devoted to continuous advice and assistance to teachers of classes for newcomers. Their work fell in the following categories:

(a) The education of non-English-speaking immigrants in the languages and in the government history and geography of Canada, textbooks being supplied by the federal Department of Citizenship and Immigration and some being purchased and produced by the community programmes branch itself; the classes being conducted by school boards and private agencies or directly by the community programmes branch.

(b) Co-operation with, and stimulation of, organizations and associations that can aid the integration of newcomers.

(c) Preparing and conducting tests for newcomers to ascertain proficiency in English and in general knowledge about Canada.

(d) A summer school consisting of evening classes in English was made available to newcomers who wished to enroll. And then, of course,

(e) advice and assistance to community groups and in the various types of leadership development which were sponsored or co-sponsored by the branch.

This year, there are some 756 classes being held within some 200 communities. This is an item which I should like to bring to the attention of the House in detail, because so often things are done and money is expended which either are unknown or taken for granted.

I should like to give some figures for the

period 1947 to 1960 which are broken down into two phases: The first 7 years in which this programme was being carried out jointly by the school boards and the government of Ontario; and from 1954 to 1960, the latter 7 years, in which the federal government participated.

In the first 7 years, the costs were split 50-50 between school boards and the government of Ontario so far as teachers' salaries were concerned. I will be using round figures. During that period there was a registration of some 120,000 at a total cost of \$2.4 million, divided \$1.2 million by the school boards and \$1.2 million by the province of Ontario.

In the last 7 years, there have been an additional 130,000 registrations at a total cost of \$2.9 million, of which the school boards have paid some \$290,000; the province some \$1.3 million—plus some \$53,000 in resource materials—and the federal government of \$1.3 million. Presently, 90 per cent of the cost is shared equally by the province of Ontario and the government of Canada.

So, since the inception of this programme instituted under the aegis of the school boards and the community programmes branch, there have been some 250,000 registrants at a total cost of \$5.3 million in round figures, of which the school boards paid \$1.5 million, the bulk of it in the first 7 years before federal government participation, and over \$2.5 million by the province of Ontario, and latterly \$1.3 million by the government of Canada.

The history of these classes is that in location they have tended to follow the need. At one time a large proportion of the classes were connected with hydro construction projects, with bush camps, railway gangs and mines. But, by 1951, they had shifted towards the urban centres. The classes in latter years tended to concentrate more and more on meeting those needs which were not being met either by school boards or voluntary agencies. These included classes for persons in mental hospitals, sanatoria, workmen's compensation board, daytime classes for night workers and the unemployed, small experimental kitchen classes for women in the Hillcrest-Parkdale area. A large summer school has been held in Toronto each year since 1949. During the last 3 years this summer school has been used as a laboratory, in connection with a summer school for teachers in teaching them English as a second language.

Each year the branch organized a number of classes for the unemployed in such places as Toronto, Hamilton, Brantford, Windsor

and London. These people are available for more intensive training in English. As of January this year, there were 21 such classes in Metropolitan Toronto. The community programmes branch pays the teachers as well as rentals for the space used.

That, Mr. Chairman, is the work as it was conducted by that part of the branch which has been transferred into The Department of the Provincial Secretary and Citizenship. But hon. members will recall that two years ago there was a section set up within The Department of the Provincial Secretary in matters relating to citizenship and newcomers. I should like to review briefly the work of that section which fell into 4 categories: (1) services available to newcomers personally; (2) services available within the government; (3) providing information to newcomers generally and to the general public about newcomers and, (4) active association with immigrant aid agencies and liaison with ethnic groups and the foreign-language press.

As to the services available to newcomers personally, the citizenship office provides within the government a single, central organization to which individual newcomers may apply for information about any of the government services and for personal assistance and referral services. There is provided a counselling service through which newcomers are individually advised and assisted in solving their personal problems.

There is a free translation service in respect of trade and educational certificates and such other documents as may be necessary to assist the newcomers in establishing themselves. I noted for this past year there were some 688 translations in some 24 different languages for such things as trade certificates, motor mechanics, barbers, machinists, electricians, welders and others, plumbers, masons; matter of birth certificates, marriages, deaths, divorce; education certificates at all levels.

The citizenship office provides a link between government departments and the various ethnic groups, the foreign-language press and immigrant aid agencies, acting as liaison with other levels of government such as the federal government's Department of Citizenship and Immigration and the various consulates. I may say that I am looking forward to co-operating to the fullest, as in the past, with the federal government in this respect.

The translation service is also available to other departments which have occasion to use it. Such departments as Labour, Public Welfare, Education and Health as well as

the Prime Minister's office, have had occasion to refer to this section for translation of documents which come to their attention.

This section, because of its contacts with the group, has been able to assist other departments in the distribution of departmental literature of particular interest to newcomers and specific groups of newcomers. I recall specifically the participation on a large scale recently with the Ontario anti-discrimination commission in conjunction with the human rights campaign.

Then, of course, the work of the section centres itself about providing information directly, in a general way, to newcomers and then participating in providing information to the general public about newcomers. I refer particularly to the work as exemplified by the department display at the exhibition of which the Toronto *Telegram* said—and I say this with due respect to all other departments—"stole the show" because of the fact that the booth attendants were some very charming ladies originating from some 15 different countries and dressed in their national costumes.

There has been developed through this section to an extensive degree what has been built up by this government through the years—and that is direct association with the immigrant aid societies and furthering the liaison with other ethnic organizations and associations established throughout the province. There has been—in a direct, personal way—this contact between members of the staff and these groups.

I mention in particular the foreign-language press, which has been known to me all my lifetime. I began to read those publications some 30 years ago. The work of this section of the press is that of informing the newcomer and really cannot be overemphasized or overvalued.

For that reason we have developed a close, I believe friendly, working relationship with the editors and publishers in order to avail ourselves of their knowledge and their facilities in bringing our messages to their readers. We have done that directly and assisted other departments in doing so.

It would be of interest to hon. members of this House if they should take the opportunity—at almost any newsstand within Metropolitan Toronto—to take a look at the press which is being published in Ontario. One week's output by this press would stand as high as my desk, in, I believe, some half-a-hundred various editions.

I enjoy reading, amongst others, weeklies of the German press, the Italian press, the

Polish press, the Slovak, the Czech and the Ukrainian press. It is interesting to note how closely they follow the proceedings of government at all levels. They too, as the members of the fourth estate so commonly known as the daily and the weekly press throughout Ontario, are bringing the matters which are of concern to our citizens to the attention of those who presently read in their mother's tongue.

Mr. Chairman, the activities of these two sections have been amalgamated within The Department of the Provincial Secretary and Citizenship. The work of the two in the past overlapped to some degree. The work of the two has one ultimate common goal and I was pleased that the government took this step, because it will enable us to expand and look forward to an expansion of our work in respect of the ultimate goal of citizenship, without enlarging presently the physical staff of the department.

Those who are members of the staff dealing with this particular matter, under The Department of Education, will now be able to give of their time and their talents, not only to that particular phase, but to the other matters of citizenship. Of particular value is the fact that the whole branch, as I have stated, is under one of the most capable men in this province in his field.

The Department of Citizenship Act, which—as I stated—a little over 9 days ago received Royal assent, sets out the broad principle to govern our work. That Act is based in part on a simple yet fundamental assumption that when some members of the nation are hampered by disabilities—such as inadequate knowledge of the languages or the customs and the political, economic and social practices of our society—then society, acting through its government, has a responsibility to help them overcome these disabilities so as to enable them to exercise full and equal citizenship, both in terms of the enjoyment of rights and privileges as well as in the fulfilment of duties and responsibilities.

The state has the responsibility to create opportunities for the acquisition of such knowledge.

The Act, as the hon. members know, specifies that the Minister shall initiate action not only on his own but in co-operation with other Ministers within the government of Ontario, within the public services of Canada, at the municipal level and with other organizations. The department will develop as a channel through which communication can be established and action taken and

information provided to all so as to make their citizenship more meaningful.

The work that I outlined earlier will continue and be expanded. A main function, of course, of the branch will continue to be the maintenance and expansion of opportunities for newcomers to learn English or French and those basic facts about our society which will enable them to participate without handicap in all aspects of community life.

This training in the classrooms, whether under local school boards, directly under the administration of the branch or under the auspices of voluntary organizations, will be supplemented by other means such as publications and the mass media within the limits of our resources. I am grateful to the hon. Provincial Treasurer (Mr. Allan) and the Treasury for having increased our fund at this time with a view to giving the newcomer and our citizens generally every opportunity to learn whatever they need to know to integrate themselves fully into every facet of our society.

Research techniques will be applied to develop the best possible methods of teaching English and French to the newcomers to our province. The branch will also study the problems of newcomers requiring information in reference to other departments, and the staff will be able to handle requests in 12 languages.

Every support within our means will be given to voluntary groups, both ethnic and communitywise, that are interested in the integration of newcomers to arrange such programmes at community level as are likely to contribute to the development of mutual respect and understanding among all groups in our community, and to make all our facilities and services known.

In this connection, we are planning to hold a series of seminars in co-operation with other departments of government and leaders of voluntary organizations, to give all those in ethnic and other voluntary organizations accurate and up-to-date information pertaining to provincial and municipal services related to employment, training, compensation, health and welfare. These seminars will also give them an opportunity to meet and discuss the problems of newcomer adjustment with municipal and provincial officials.

I should like to read a letter to The Department of Labour from The Department of the Provincial Secretary and Citizenship in this regard which will serve as an example of what we contemplate in respect of several

other departments. The letter reads as follows:

DEAR MR. METZLER:

We are proposing the organization of a series of one-day seminars in Metropolitan Toronto to bring together representatives of ethnic organizations, editors of ethnic newspapers, persons in charge of welfare services in ethnic groups, church immigrant agency groups and representatives of such voluntary agencies as the international institute, university settlement house and other united appeal agencies to acquaint them with the services provided by various departments of the public service of Ontario.

The role of these department representatives will be to give a clear short statement of what his or her branch or department is responsible for, and later to answer questions which may arise in discussion. The opening statement should be broad enough to describe the services available to all citizens; at the same time they should pinpoint any services that are available to meet the special needs of newcomers.

I would think that the following branches would have a contribution to make: apprenticeship branch, operating engineers, fair employment practices, minimum wage, anti-discrimination, workmen's compensation, and I think it would be advisable to have a representative of the national employment services.

Our department looks forward to working in co-operation with the Minister of Labour and the Ministers of the other departments which will be setting up these seminars.

The Act charges the Minister with advancing and encouraging the concept of full and equal citizenship. What does this concept mean in this context? I have indicated one meaning, but it is only one aspect of the promotion of what is known to us generally as good citizenship.

Full citizenship is applicable to all our citizens, which concept will occupy our attention at all times. This is a subject too large to go into at this time, but I should like to touch upon one other aspect.

In respect of all citizens there is always the necessity of creating and maintaining the atmosphere and framework within which, in mutual respect, all may join for the common weal and for creating the fibre that will constitute the strength of the nation.

For prejudiced attitudes and behaviour of other people can also make even a well-qualified person a second-class citizen. The state can do something about certain kinds of prejudiced behaviour by legislation, and there is such legislation to an admirable degree in Ontario.

Indeed, it is my firm belief that that is one of the greatest accomplishments of this administration under the leadership of the hon. Prime Minister (Mr. Frost).

The more fundamental problem of prejudiced attitudes can be solved, I believe, through specialized educational and personal experience designed to develop a self-corrective point of view as contrasted with attempts to change attitudes by exhortation alone.

A week or so ago, I had the pleasure of addressing a group of students from North Carolina university on an exchange visit with the university of Toronto. I said at the time:

If the function of a university is, as I believe, to dispel, to get rid of the prejudices, the misconceptions, the ignorance and the unwarranted fears that blur our vision of reality, surely one of the finest activities that it can encourage is represented by such visits. For the mystery that haunts the world today is not one of unknown continents. It is a mystery of darkness that hides from us the attitudes, the hopes and the aspirations of people other than ourselves. Every beam of light that we can thrust into that darkness helps to ensure a safe and happy future for you and those who follow you.

Mr. Chairman, the same principle could be paraphrased to set the standards which should govern the relationships of persons on our own home ground.

The branch will give attention to the question of attitudes insofar as these may concern full and equal citizenship for members of our society.

The achievement of our goals in this and in the successful integration of the newcomers into our society is, and will continue to be, a co-operative venture that will demand the attention of all.

As I have pointed out, almost 250,000 adult newcomers have registered for at least one term in language and citizenship classes in Ontario during the last 14 years.

We know there are at least as many more who have not come to a language class since they arrived in Ontario. In most instances, it is not because the opportunity has not been offered; it is probably, amongst other

personal reasons, because many of them have not realized even yet how important some proficiency in the English language is to their total adjustment, independence and efficiency in our midst.

I call upon all newcomers who may be limited in this regard to register and attend classes in language and citizenship which are already in operation in many municipalities, or which can, and will be, organized if the demand is there.

The school boards and the citizenship branch on our part will do everything we can to provide the most effective course within our means and within the limits of what is known about teaching languages to adults.

In this connection, I say to the hardworking and devoted editors of ethnic newspapers, to whom I have made reference, and to leaders of ethnic organizations, that they can continue to render a unique service not only to their fellow-countrymen but to Ontario and to Canada as a whole by spreading this call.

I am not calling upon newcomers to assimilate in any negative sense by dropping their cultural values. I am not proposing some melting-pot theory because I do not believe it would do either Canada or the newcomer a service. I am suggesting that newcomers should enrich themselves and our nation by addition and growth, not by deletion and shrinkage.

They should, by all means, preserve the good things and the rich cultural heritage that they have brought with them. At the same time, they should draw from the equally rich storehouse of the two cultures which lie at the root of this nation. By so doing, they will not only grow in self-reliance, independence and stature, but will be able to play even a greater role in communicating to other Canadians some of the things which they cherish, and thereby enrich their lives as well.

I, as an individual, have been extremely fortunate to have all my lifetime come into close and direct contact with all of these cultures and with all of those things which our cosmopolitan society has to offer in its multi-varied aspects. I count myself fortunate indeed and cherish what I have learned.

Mr. Chairman, we in this nation have what is to me a most significant symbol—the maple leaf—so familiar to us, especially within this province. All of us are familiar with the tall, strong maple trees and the large full-bodied green leaves that clothe them. During the year they are known to us in that solid,

rich, green texture. And yet, there is something that is revealed to us each fall in our travels throughout this province—indeed it is one of the highlights of our province—that beneath that solid green, so characteristic of all maple leaves, there is multi-varied colour in all its rainbow splendour—the deep orange, the bright yellows—a tremendous range of hue.

It is significant that in this land of ours, symbolized by the green maple leaf that makes us all Canadians, that beneath that solid colour lies that which makes us all so very different as individuals—individuals within our own personalities and as members of particular groups.

Mr. Chairman, it is by utilizing and integrating into a single intricate pattern the cultural values of every country from which our peoples come, that Canada can become a superb example of the way minor shades of difference, and even complete dissimilarity, can be welded into the fabric of a multi-faceted yet united nation, to sparkle before all nations as a many-sided jewel in the world of today.

On vote 1701:

Mr. A. E. Thompson (Dovercourt): First, sir, I would like to say that I hope the same longevity that has been the situation with all the other Provincial Secretaries will pertain to our present hon. Provincial Secretary.

An hon. member: Not necessarily in office.

Mr. Thompson: Not necessarily in office, very clearly. And I hope, sir, that he will be inspired by the hon. member for Brant of 1919, when he held the post, and I hope that some of the wisdom and ability of the hon. member for Brant will be an inspiration to the new hon. Provincial Secretary.

May I say that I am sorry to hear that Mr. Cudney is ill, and I am sure we all look forward to him returning to his post in good health. I have had some association with this department, and have admired and respected him very much, his kindness and his ability.

I think that the hon. Provincial Secretary has made an exceptional choice in the person he has chosen to head this citizenship branch. Mr. Stephen Davidovich has been known to me as a friend and also for his remarkable ability in this area, and I congratulate the hon. Provincial Secretary in having been able to secure him to take over this position.

I would like to say, and I would be unfair if I did not, that I think the report that has

been made today by the hon. Provincial Secretary is a most encouraging one, and one that shows imagination and a new drive in this particular department.

It always struck me as a peculiar coincidence that the citizenship branch of the Ontario government was started 13 years after the heaviest flow of immigration since the war. It struck me as a peculiar coincidence because that is the year when we had an election. But it seemed to me that, when the citizenship branch did start, it started with some confusion and rather stumbling footsteps.

Last year I listened to the former hon. Provincial Secretary (Mr. Phillips), and at that time the most remarkable feat that I could derive from this particular branch was that they were going to serve tea to newcomers receiving their citizenship. He reported at that time that he was serving tea in 15 centres.

I never found out where those centres were or who came to the teas. But I understand that one of them was held in Owen Sound and several others in Toronto and major centres.

I would be interested to know if the hon. Provincial Secretary himself is going to continue this approach of holding teas for new citizens receiving their citizenship in the same bold and imaginative fashion that his hon. predecessor had carried out this role.

I would like to say that we in our party feel very strongly about Canadian citizenship. As I am sure every hon. member in the House knows, The Citizenship Act of 1947 was enacted by the Liberal party which wanted to create a national identity for Canadians and residents in Canada.

We feel that the large number of immigrants who came after the war, for which the Liberal party was responsible, have made a real contribution to the economy of this country. I would like to point out again the figures I used previously, which show what they have contributed economically to Canada.

In 1957 alone, immigrants paid in direct taxes \$190 million, and between 1951 and 1958 about 1,365,000 immigrants came to Canada. They established more than 248,000 households, they purchased 173,000 stoves, 105,000 electric refrigerators, 128,000 washing machines, and so on.

There is no question but that the immigrants who have come to Canada, and particularly to Ontario, have made a most valuable contribution to our economy.

Some people will suggest that the immigrants who have come have caused unemployment in Canada, but I am sure we all realize that this is not true, if we look at figures. Ontario, which has absorbed over half of the immigrants to Canada, has a lower percentage of unemployment than many of the other provinces which have not had nearly as many immigrants.

But I would say that I take no satisfaction in the figures of unemployment in Ontario. I hope that not only for the immigrants, but for all Canadians, we will have much more aggressive action from the government to make this a happier and more prosperous province for people to live in.

I would like to point to another aspect of the contribution of newcomers because I do not think we should think of people only in terms of the economic contribution they can make. I also, sir, do not think that we should consider people only in terms of the costume that they will wear. I am sure that the hon. Provincial Secretary, in taking great pride in the exhibition that took place under the citizenship branch, will realize that this was just a symbol of the contribution that newcomers make. The contribution they are making to our country is far more than their different colourful dress.

One of the great things, in my opinion, that new people have given to Canada, I would illustrate with a factual incident that I saw take place. This refers to a small congregation of refugees who came to Canada and after a period they managed to establish a small church. The services were actually held in an attic. They managed to get their priest out of Europe, where he had spent many years in hiding while holding services in a cellar and later in concentration camps when he could. I remember, sir, going to the first church service of these people. I had watched the face of the priest as he hammered up a sign in public that declared a church service would be held.

It was the first time he had been able to do this for many years. He could speak no English, but his eyes and the force with which his hammer banged the nails into the wall indicated to me that he was saying a very dramatic message—a message that in Canada we have freedom of religion, we have freedom of association and freedom of speech. He was showing me how much I should appreciate these freedoms which we have.

I feel that, with the great variety of people we have brought into this country, we can be an example to the whole world in showing that intolerance will not exist in our democ-

racy and that we, with different backgrounds, can work together.

I appreciated very much the example given by the hon. Minister with respect to the colour of the maple leaf. I thought that was most appropriate.

But I would say, sir, that as well as talking about this, we have to be active. I think that far more could be done in the form of education with respect to showing the contribution of the variety of people to the country and also far more extensive action towards any kind of discrimination.

I refer to The Fair Employment Practices Act and its commission. The material that I got during the summer from this commission asked me to emphasize through schools and through public addresses an understanding of the contribution of people of various backgrounds to Canada.

It seems to me, sir, that with The Fair Employment Practices Act, and The Fair Accommodation Practices Act, this commission has to be harnessed more closely to the citizenship branch. I understand this branch has a very close contact, in some cases a very personal contact, with many of the ethnic groups across the province. It is these minority groups who are going to suffer more discrimination than the majority groups. I would suggest, sir, that there should be far closer co-operation, not overlapping and duplication, between the commission and the citizenship branch.

I feel, Mr. Chairman, that there is another point with respect to the contribution of new citizens. I can speak personally of this from a number of my friends who have professional and technical skills but, because of regulations either by associations or by other groups, are unable to use these skills. It would be a most helpful thing for the hon. Minister to call together professional and other associations to find out the number of newcomers who have had particular training and see if in some way they could be used in their own special fields.

I emphasized in my maiden speech to this House that there was a real practical job concerning safety rules to be done by some co-ordinating department of government. Immigrants must be told what are their rights of work and what are their privileges. I still think that this has not been done effectively. I say this because, in my own small office in my riding—which has a great number of newcomers—they come to see me, because, through misunderstanding, they are not getting their due rights either as citizens or as residents of this province. There should

be much more done in getting officials right out into the field, not only sending some pamphlets or declaring something in a public speech to a group of dedicated social workers and others who are knowledgeable of the problems.

I was interested in the safety commission of the hon. Minister of Agriculture (Mr. Goodfellow). Apparently it is sending men out to talk to farm councils. I would suggest that through the citizenship branch, where I understand there are staff members who speak a number of languages, they should go out into the construction areas, talk with the foremen and then try to arrange means of having a much more close and personal contact with the men on the job, so that they are not abused and they know their rights.

I think it is particularly important—I am quite sure that the hon. Minister of Labour (Mr. Daley) himself feels strongly about this—that the unfortunate situation that happened last year, in which some men were killed in a tunnel tragedy, will never be repeated. Across this province—particularly I am thinking of groups that have not had the opportunity of much education before they came here—there is a possible tendency for them to be exploited. I feel it is particularly important that the government—with people who, perhaps, do not have much ability in reading or writing and also with the difficulty of the language barrier—must, in some way, get closer to them to ensure that they understand their rights and that they understand the safety rules.

This brings me to the point of language classes across this province. I would like to congratulate the hon. Minister and his department on the fact that they are starting language classes for the unemployed immigrants. This should have been extended and carried out much more. I feel that similarly with the unemployed Canadian we should have got into the schedule M field and vocational training with the newcomer much sooner.

I am concerned, in regard to the language classes, that, in many cases, it is only the original enrolment which is high. With a first enthusiasm, a large number of newcomers attend the classes. I suggest, sir, that there may be a high proportion of fallouts—that is, the students do not continue in these classes. I am sure there are a number of reasons for this.

Obviously, a man is tired after a hard day's work, and it is a tremendous strain to go out to learn a new language. Also it might be because we are not providing in these classes

the fundamental needs in language training that the newcomer wants, particularly the vocational needs. This is something that could be certainly examined much more. The newcomer does not particularly want to learn certain details. For example, I will read to the House some questions in a test given in the citizenship classes. The immigrant is not too interested in learning "which is the longest river in Canada."

Perhaps, out of interest, I could ask the hon. Provincial Secretary if he could answer that question. I will not embarrass him by pursuing it, but I do not think this is a practical question for many newcomers. The newcomer is not particularly interested in knowing on what island is the city of Charlottetown.

I notice the hon. Minister of Health (Mr. Dymond) looking at me, perhaps he could answer that question.

Are we giving the most practical kind of education? Is this the reason why newcomers are falling out of these classes?

I feel that the citizenship department has a very real responsibility to look at the fact that such a large proportion of newcomers are not taking out their citizenship. I realize the actual granting of citizenship is a federal concern, but encouraging the aspirations of people to take the training in order to take out citizenship, surely, falls directly on the province. I would suggest, sir, that we could use many imaginative ways to emphasize the responsibility of citizenship and to encourage people to take out citizenship.

I have often thought of the mothers of young immigrants; these often cannot attend the language classes in the evening because they have to stay with their children. I have often thought of many other groups who are not able to attend these classes.

But we do have the media of radio and television. I travelled across various cities in the States last year and saw the effective work that can be done by television in teaching not only language but other subjects. I feel that surely the citizenship branch could be investigating and encouraging this mass media approach through either television or radio to teach English to newcomers.

I feel that the hon. Minister, in keeping in close contact with the ethnic editors, is providing a service which I think can be most helpful. For many immigrants this is the only media by which they will learn of the services that the government has, and to learn of their rights.

I do think that here is an opportunity for the hon. Minister of Travel and Publicity

(Mr. Cathcart) to encourage the flow of people around this province, so they can enjoy our great natural resources. I know he is interested in getting people to enjoy winter sports, and I would ask the hon. Minister whether, in the winter sports programme that is being publicized by The Department of Travel and Publicity, they have also sent out advertisements to the foreign-language press?

I would like to suggest that there should be more co-ordination through his department and the citizenship department concerning the advertisements that are sent in to the ethnic press. As I understand it—and I am certainly open to correction—these advertisements are sent from the different departments so there is no co-ordination in this.

Hon. Mr. Yaremko: As a matter of fact, there is co-ordination in a large degree. They are all channelled through The Department of Travel and Publicity which has the staff and contacts through other agencies to place them. Even The Department of the Provincial Secretary and Citizenship, when it wishes to place an ad, uses the facilities of The Department of Travel and Publicity, which is a co-ordinating agency in that regard, because they have the technical staff able to do that.

Hon. B. L. Cathcart (Minister of Travel and Publicity): The material which is included in those ads comes from the particular department for which we are advertising.

Mr. Thompson: Could the hon. Minister tell me, sir, if he is advertising the winter programme in the ethnic press?

Hon. Mr. Cathcart: We get out our winter sports publication and it is available now. But in order to give specific advertising on a carnival, a skiing event and so on, we are using the radio for that purpose, for the simple reason that we cannot depend on weather and, therefore, we have to wait until the last two or three days before the affair before we can advertise it.

As a matter of fact, I can publicize now the great Temagami winter carnival which will be held in a matter of a week. The "Know Ontario Better" ads go through the ethnic press and I am sure the hon. member knows these ads.

As a matter of fact, I believe that if some study was given to the situation as it stands at the moment, he would find that the ethnic press is perhaps receiving a greater percentage of our newspaper advertising than our weekly and daily newspapers throughout the

province. And that has been going on for 4 or 5 years.

Mr. Thompson: I will not ask whether that is put out for public tender or other questions. I will wait until the estimates come up for that department.

I appreciate, and I am sure many newcomers do, that no longer is the citizenship branch hidden up in the attic part of this building, so that one almost has to be an explorer—or, some suggested, a squirrel—to find it. Now at least it is attainable; and I appreciate that. I was glad this afternoon to see where it now is.

I have had some complaints with respect to the hopes of people in the hon. Minister's translation service. I understand he mentioned the translation of marriage certificates and a number of other documents. I know of one case—and I should like to check this with the hon. Minister later, in order not to mention names—where people have come to his department for a translation of a marriage document and some other particulars. They have then had to go to a travel agency where they paid \$180 to get this service done.

I have more particulars on this for the hon. Minister personally. But I would like to say if the hon. Minister is providing this kind of fine service, he should publicize it widely, so there will not be unscrupulous people taking advantage of the immigrants.

I know that there were situations where, unfortunately, some lawyer had charged an exorbitant fee to help people in getting their citizenship papers. The hon. Minister should try to emphasize that the federal Department of Citizenship and Immigration in Toronto will make out citizenship certificates for no charge at all except for the regular \$10 to get the citizenship.

The Department of Citizenship and Immigration, Mr. Chairman, is tremendously important, and I say that because we have so many people of different backgrounds in our province. Therefore, we have a great obligation to show that people can enjoy their cultural heritage and still live together harmoniously. If we can show this in Ontario we will be setting an example to the whole world.

Hon. Mr. Yaremko: Mr. Chairman, not in the spirit of politics, but just because I would not want the hon. member for Dovercourt to continue in the years ahead under a misapprehension, I want to clarify the confusion that has existed in his mind for at least two years. I refer to his reference that after 13

years of postwar immigration there was a department of citizenship or a section of citizenship set up within the government of Ontario.

That is not so. The citizenship work within this province goes back during and to at least 1947. That is the period of time in which the community programmes branch of The Department of Education and school boards participated in the teaching of languages and the teaching of citizenship.

Just to really clarify his mind—and I thought he would have noticed this in the figures I gave—in respect of the cost of newcomer teaching which I broke into two periods: From 1947 to 1953 which is beginning 14 years ago, and during the following 7 years, the people who provided facilities for the teaching to newcomers of English, French and citizenship were the school boards and the province of Ontario on a 50-50 basis. So this government was in the citizenship business, at least to this degree, 14 years ago to the tune—

Mr. R. M. Whicher (Bruce): The government did not bring one person in.

Hon. Mr. Yaremko: We are not talking about immigration; we are talking about citizenship. For the teaching of citizenship training from 1947 to 1953, this government put \$1.2 million into this programme before the federal people woke up to it in 1954 when they began to share on a 50-50 basis with us.

Up to that time, the province of Ontario had put in \$1.2 million, and the hard-pressed municipalities, which paid up to 1953—what have they got to do with citizenship?—also put in \$1.2 million.

In 1953 I stood up in this House and urged the Minister of Education, the late Dr. Dunlop, to speak to the authorities in Ottawa and point out to them in Ottawa, where there was a Liberal government I believe at that time in power, that citizenship was really a federal responsibility, and that they should come into the picture and pick up this tab that the municipalities were paying. We were willing to pay our share of the load.

Mr. Thompson: Who paid for the books for the courses?

Hon. Mr. Yaremko: At that time?

Mr. Thompson: Yes.

Hon. Mr. Yaremko: At that time the federal government did, a very small amount.

In fact it was an insignificant amount in comparison to the millions which were spent by this province.

Mr. Thompson: Mr. Chairman, I wonder if I could say this—

Hon. Mr. Yaremko: The then Minister of Citizenship took a little bit of persuasion several years after we started the programme.

Mr. Thompson: Would the hon. Minister have liked the federal government to have done this, take over the education load?

Hon. Mr. Yaremko: No, supply the money for citizenship training which we persuaded them to do 7 years later, in 1954. He said then they would pay only one-half of what the province was paying.

But I will say this, after some persuasion by myself and the then Minister of Education they paid 50-50 of the 90 per cent on account of teachers' salaries. This province then continued, not only to pay 50 per cent but also to the tune in the last 7 years of some \$52,000 in materials.

Now, the question of texts is a very interesting one, in view of the fact that the hon. member mentioned the examination. This is an argument that goes back right to 1953—if not earlier—the fact that they have supplied the texts. It is on those texts we have to examine.

We have said to Ottawa right back through all those years: "Look, you supply the textbooks, but let us tell you what we think should be taught, because we are teaching them and we are in contact with people and we know what has to be taught."

I may say that I believe now we are having some measure of success because of the research facilities which the community programmes have in conjunction with other agencies.

Mr. Thompson: The government did a research programme with the federal government on the language text, and then when the Liberal government went out, the finances for the research were cut off.

Hon. Mr. Yaremko: The research has been completed and we are going to go ahead.

Mr. Thompson: The province got a research grant under the Liberals.

Hon. Mr. Yaremko: From the year 1947, hon. members of this House will find estimates in The Department of Education for citizenship, which last year amounted to

\$60,000, in addition to each year sums ranging from \$150,000 to \$250,000 in respect of half the teachers' salaries.

Mr. Chairman, I wonder if I could just say that I am very much interested in the problems of the men who have come to this land with skills which are very difficult to make use of. I know literally hundreds who have beaten a path to my office downtown when I was in private practice. I know that I participated in persuading the various societies—legal and medical—to assist these men to take their Canadian training.

Then, of course, there were those who were unable to practise their own profession, but I am pleased to say that there is no single other agency in the province of Ontario that has utilized the skills of these men in various departments to the extent that the public service of Ontario has. I think we can take pride in the fact that the civil service commission has used the services of these men.

One last item in this regard is the matter of television. This is something that interested me very much. Exploratory steps have been taken with regard to certain agencies in Metropolitan Toronto, and my own personal belief is that it might be done if it can be utilized at an economical rate.

Mr. Thompson: First, with respect to the clarification of my mind about the start of the citizenship branch, and I want to emphasize branch—

Hon. Mr. Yaremko: This government does many things but it does not pull its lights from under the bush. But in the future it is going to.

Mr. Thompson: Where I got my knowledge of the new citizenship branch was from a couple of editors who had listened to a resounding speech by the hon. Minister's predecessor, who was going to start something new. He was going to start up the most wonderful and dynamic programme. He spoke so fluently that one of these editors thought he was going to take over the Canadian citizenship and make it Ontario citizenship.

The editor even wrote an editorial about this to say she wanted to remain a Canadian citizen, although she enjoyed living in Ontario. So the publicity which went on significantly in the election year about some new developments suggests that the government wanted the impression created that it was going to do something new.

I would like to re-emphasize my point

about the need for this work, and I would like to congratulate the hon. Minister again on the fact that he does seem now to be taking an active interest in this very real problem of more than a million new people in our province. I would like to feel that he could have the influence through this department to point to some of the inadequacies that we have today in some of our legislation with respect to discrimination.

I am thinking particularly at this point of apartment houses. I know that a group came to the hon. Prime Minister and to this government over Christmas, and explained that apartment houses are getting away with discrimination because of an inadequacy in the Act which treats them as private dwellings rather than public dwellings. I think, sir, that the hon. Minister will be in the vanguard when this bill comes up for consideration to push for it. I should say that it is a bill which I myself have placed before the House.

Mr. K. Bryden (Woodbine): Except that he was away behind the hon. member.

Mr. Thompson: I put it before the House last year, when he was behind me. When I speak of discrimination, I would like to add that I noticed with some horror a couple of days ago when the hon. member for Lambton East (Mr. Janes) was speaking that he could have been broadminded in his discussion, because he was talking about colour, the colour of margarine. I would suggest, sir, that as well as the real need we have in watching that we do not discriminate against people with respect to colour, we also think of freedom from discrimination for margarine in regard to race, creed or colour.

It suddenly struck me as I looked over towards the hon. Minister from St. Andrew (Mr. Grossman), that one of the things I have always felt strongly about, is that we should be honest and realistic with newcomers coming to this country. We should give them a fair appraisal of what the conditions are.

I remember when I talked last year about this—the overexuberance about opportunities in Ontario, back in Ontario House in the federal immigration department in London—the hon. Minister from St. Andrew complained to me, suggesting I was trying to run Canada down. "Why not speak highly of Canada and its opportunities to newcomers?" he asked.

I would suggest, sir, that newcomers coming to this country—and there have been some who have been coming in the last year—have been deceived. We have not been

honest in saying that, unfortunately, under this Progressive-Conservative government we are in a blight of tough times, and that there is not too much opportunity at this time.

Hon. Mr. Yaremko: May I just say one word, Mr. Chairman, and again I am not getting political. I was interested in going through my file the other day. I noticed the ads that were put in the press during the last election campaign by the government that presently holds office in the province of Quebec. I think it is a Liberal government under hon. Mr. Lesage.

As a matter of fact, it is quite interesting to read the advertisements through which that Liberal government came to power. Over and over again they say: "Look what has been done in Ontario as compared to what has been done in Quebec." The people of Quebec, hoping that things will be done in Quebec as they have in Ontario under this administration, brought in a new government.

Mr. Bryden: Mr. Chairman, I do not want to interfere with the discussion of this particular subject, and perhaps it can be reverted to later. But while the two hon. gentlemen are contemplating clarification of their respective clarifications, perhaps I could turn for the moment to another important phase of the activities of The Department of the Provincial Secretary and Citizenship, which is the administration of The Corporations Act.

The hon. Minister in his introductory remark referred to the large increase in the number of companies incorporated over the years. I believe he said that this year, or during the past year, something like 7,000 new companies were incorporated in the province. Can the hon. Minister tell the House how many of those companies were private companies, Mr. Chairman?

Hon. Mr. Yaremko: I do not have those figures before me, but I can get them. I do not know whether we keep statistics of that broken down into private and public, but I will find out. I would think the majority are, as the hon. member knows, private companies.

Mr. Bryden: At any rate, I think that is probably sufficient. It was my impression, and it is confirmed by the hon. Minister, that most of the companies actually incorporated under the Ontario Act are probably private companies. There are, as he stated, a very large number of these private companies being incorporated.

I would like to suggest, Mr. Chairman,

that serious study should be given to the adequacy of the present Corporations Act and its administration with regard to the incorporation, particularly of private companies.

I have no doubt that the vast majority of such companies incorporated are carrying on business properly within the spirit of the Act as well as the letter. But certainly there have been some important instances brought to my attention where The Corporations Act simply becomes a vehicle whereby the individuals, who are really in a personal business of their own or at best in partnership, escape personal liability in a way which I am sure was never intended by the Act. Indeed, in some cases which I will refer to in a moment the Act was used, as far as I can see, simply to cover up their tracks and create general confusion.

I admit that I am no expert on this very complex piece of law. But my understanding of the basic principle of it is that there must be at least 3 shareholders before limited liability can be obtained. Certainly I can cite cases, and I will cite some—I do not know how numerous these are and I do not imagine the hon. Minister could give me statistics—but I can cite cases where what happens is that an individual, or two individuals, set up a business. Then they escape personal liability by getting some nominee or nominees who are really just extensions of themselves and are not true independent parties at all or true shareholders.

They get them to put their names on the list so that they have 3 names and then they escape liability.

Furthermore, I have discovered that some of them do not seem to pay much attention to some of the provisions of The Corporations Act. For example, section 313 states that a corporation shall cause the following documents and registers to be kept, and then it enumerates 4 items. I will just mention them without reading the exact words of the statute.

First, the copy of the letters patent; second, all bylaws and special resolutions; third, a register of shareholders; and fourth, a register of directors.

The section 315 provides that:

A corporation shall cause to be kept proper books of account and accounting records with respect to all financial and other transactions of the corporation.

Then the section goes on to spell out in a little more detail the kind of records that should be kept.

Frankly, I do not know what happens if a corporation does not keep the documents and registers and books of account referred to in those two sections. Does The Department of the Provincial Secretary and Citizenship concern itself at all with checking to see whether or not, in fact, those provisions of the law are being complied with? Or is that left to shareholders or other such people?

Hon. Mr. Yaremko: Of course, Mr. Chairman, the question, the problem, the concept of limited liability is one of the oldest in English commercial law, and it was set up deliberately. The very term of the name of the company "limited" as an addition shows that it has limited liability.

As a result, any person dealing with a limited company, which always in its actions must use the word "limited," knows that he is dealing with a company that has limited liability and knows the risks that are involved in dealing with such. He either takes the risk of dealing with a limited liability company or he deals somewhere else where there is no limited liability.

As to the books which must be kept, there are the court proceedings which a shareholder can take in respect of the corporation, and then, of course, there is a section in the Act which says a charge can be laid in a magistrate's court for breach of any provision.

Mr. Bryden: By whom?

Hon. Mr. Yaremko: By any person who is aware of the breach or if he is himself aggrieved.

Now, roughly, I think that within the province of Ontario, though we have no statistics broken down as to private and public companies, I believe about 75 per cent are private. But there are at least, I think at the last count, over 60,000 active companies in the province of Ontario. It would be physically impossible for the Provincial Secretary's office to police, so to speak, each of those companies. I should say we are not required to do so. The Act specifies what the department's responsibility is in respect to corporations. Then those other incidents are to be dealt with as they crop up. We can imagine the fantastic staff that would be necessary—

Mr. Bryden: I can see where it may not be very practical for The Department of the Provincial Secretary and Citizenship to send inspectors around to the head offices of all these companies to see whether or not they are keeping their books in proper form. Perhaps the problem could be approached

from the other way, of requiring companies to file with the department of the hon. Provincial Secretary once a year, at least, financial statements of their operation, so that the department and any member of the public can obtain information as to exactly what they are doing.

These companies are granted some very decided privileges. They have the privilege of carrying on legally as persons and of escaping liability as individuals. If they are to have that sort of privilege, then I think they should be called more to account than they are now, not only with respect to the shareholders but also with respect to the public at large.

The means that a shareholder has of taking action, if he considers the affairs of his company are not being properly administered, or if his company is not keeping proper records, is quite meaningless in a great many of these private companies. I say this because there is really only one, or in some cases only two, shareholders, even though, for the purposes of a legal fiction, it is made to appear that there are 3.

If it is intended that a single individual should have limited liability, then the law should say that. It is obviously envisaged in the law that a single individual should not enjoy that privilege. He should take personal responsibility for the debts he may acquire to the full amount of those debts. That is why the law states that there should be 3 shareholders, but this concept of the law is evaded by the device of having nominees who are not true shareholders at all.

Mr. Singer: The hon. member should take a course in company law and then he would understand.

Mr. Bryden: Well, I think I understand some matters. I would suggest to the hon. member for York Centre that this is the purpose of the provision requiring 3 shareholders. Lawyers I know are, right and left, advising clients on ways and means of getting around that provision, or at least the spirit of that particular requirement.

On the further matter of books and accounts and the maintaining of proper records, I am suggesting, Mr. Chairman, that there certainly are instances where some of these private companies—and I am not going to suggest how many, I am going to name one in particular in a moment—simply have in the past paid no attention to the law. I think that ways and means should be discovered of compelling them to comply with the law.

It happened during the past spring,

summer and fall that I had occasion to consider in some detail the activities of a company of which I have no doubt several hon. members have heard, namely, Dimensional Investments Limited. This company was engaged, as we know, in a very large real estate transaction, a deal involving pretty close to \$7 million.

It not only did not have proper books of account as section 315 of the Act requires, but it did not even have a bank account until after the major transaction had been completed.

It had no register of shareholders. It had no borrowing bylaw or any other bylaws. It had no register of directors. In fact it never had a meeting at which it was formally organized until long after this particular transaction was completed.

Now this was a very large transaction and certainly, in my opinion, affected the public interests. Yet the two principals—and they were really partners—had a stenographer in a lawyer's office as the third shareholder so as to acquire legal personality for their company so as to remove personal liability from themselves.

These two partners did not put a 5-cent piece into the share capital of that company. At the time this company entered into an agreement to purchase land of which the purchase price was nearly \$7 million, there were 3 shares actually issued at \$10 per share.

In other words, the capital of the company had been paid up to the extent of \$30. Not even the \$30 was actually paid, because the first records, that became available long after this transaction, indicated that the \$30 was still owing to the company, so the treasury of the company actually had nothing in it.

What the partners did was to pay bills as they came up. Until they got \$1.25 million from Hydro, they were certainly keeping their bills right to a minimum.

Naturally, in surveying lands and carrying on various negotiations, they ran into some expenses. They paid these bills out of the accounts of several different companies, all of which were the same little two-bit, fly-by-night companies as Dimensional. Apparently some of these had bank accounts, although Dimensional had none and there was one joint account that the two partners had.

The effect of that, Mr. Chairman, was that any money they put into Dimensional was not put in in the form of share capital at all. It was put in in the form of loans and

advances. That is the way it was finally shown in the books, long afterwards when books were drawn up.

So they escaped any liability as shareholders, they invested nothing in the company as shareholders, and they were in the position that if anything went wrong and the company went bankrupt, the money they invested in the company would constitute a claim against the assets of the company in the same way as any other claim against the assets of the company. They put themselves in the same position as other creditors by this type of subterfuge.

And I may say that this subterfuge made it impossible to find out what that company or the principals in it actually did. We found out, long after the inquiry had started, that some of their accounts—which were very questionable accounts, I might say, Mr. Chairman—had been paid by a company called Abbeydale Construction.

Mr. Chairman, I would defy anyone, in trying to track down the activities of this company known as Dimensional, to think for a moment of looking for a company called Abbeydale Construction, which was just about as obscure as Dimensional. Yet there was not only Abbeydale Construction, there was a whole list of them, some of which were looked into, some of which were never looked into.

Certainly some very interesting things, which I will not go into here, were discovered in the accounts of Abbeydale Construction and some others but Abbeydale Construction was concealed from light for almost the entirety of the inquiry. The inquiry was right at its final completion when this particular activity came to light.

I am submitting, Mr. Chairman, that a Companies Act that permits that sort of folderol ought to be looked into. I am not blaming the hon. Provincial Secretary or anybody else. This Act has been developed over the years and I have no doubt it is very similar to Acts in other jurisdictions.

As new situations develop, I have no doubt that attempts are made to revise the law to take account of the new situations. I do not think that incorporation as a company should be permitted to be a device whereby people can cover up what they are doing.

I would suggest, Mr. Chairman, that The Corporations Act should provide that incorporation will be permitted only when there are 3 genuine shareholders, that if someone is placed as a nominee in the original application it should be stated who that person is representing. I suppose that would end the

nominee business because there would not be much point to having a nominee, but I do not see why anybody asking for the privileges that The Corporations Act conveys should conceal his name from public scrutiny. After all, it is not very intensive public scrutiny in the main, it is merely a matter that his name is on file in the hon. Provincial Secretary's office and could be discovered if somebody took the trouble to look.

I think if a person wants the privileges of The Corporations Act, he should be prepared to state who he is. I certainly think that this business of a nominee really just being another name for the principal shareholder is something that some step should be taken to stop.

I have no doubt there may be difficulties in controlling that sort of thing, but it is unquestionably widespread at the present time, and I would submit that some study should be given to ways and means of controlling it.

As for the matter of companies carrying on as this Dimensional outfit did—engaged in a very large transaction with no assets of its own at all until it swung a big deal with Hydro—that sort of thing should not be permitted. These companies should have to file some sort of statements with the Provincial Secretary relating to their financial transactions. I believe that when it comes to light, as it did in this case, that the company went on for a protracted period simply ignoring the law, the hon. Provincial Secretary's department should take some action against the company. As far as I can see, section 315 is quite clear-cut and definite and ought to be complied with. I am quite satisfied that those few—and I have no doubt they are very few companies—which do not comply with requirements of that kind in the Act, fail to do so because they want to be in the position that, at some later date, nobody will ever be able to figure out exactly what they did do.

And that, I may say, was exactly the situation with Dimensional Investments.

Over a period of time and by a series of accidents, as well as some hard digging, some of the operations of this company did come to light. But it would be impossible at this date ever to bring to light everything that they did, and as a result a public inquiry was, in my opinion, definitely frustrated in getting to the bottom of very important activities with very important public implications.

This is a matter, Mr. Chairman, that I believe should be considered by the govern-

ment. I think The Corporations Act could stand a review, certainly by people better qualified than myself, but also with some laymen like myself, who are not so tied up in these procedures that are really so designed to defeat the purpose of the Act, that they have come to take them as if ordained of God and in the nature of things.

I think that some people on the outside who can take a little more sceptical look at some of the activities under The Corporations Act should be concerned with studies of that Act with a view to revising it.

I believe that there are at the present time discussions and inquiries—and have been for a long time—relating to Corporations Acts all across Canada. Some of the rumours I have heard about suggestions that are coming out of those discussions do not make me feel very happy.

For example, I have heard that discussion is being given to a proposal that, in the case of private companies, it should be permissible for the company to buy up its own shares. I do not know if there is anything in that or not, but if it is true I certainly hope that no such proposal will ever come before this Legislature.

I believe, Mr. Chairman, that the distinction between private companies and public companies which exist in our law is an obsolete distinction, and we should try to revise the law to get away from it. Certainly as far as very large public corporations are concerned, there is no question about them having to give a pretty full accounting of their operations, providing they are not subsidiaries of United States companies.

Some of these private companies do not seem to be under any public scrutiny at all, notwithstanding the fact that the public has conferred on them very substantial privileges. I believe, Mr. Chairman, that consideration should be given to ways and means of ensuring closer public scrutiny.

Votes 1701 and 1702 agreed to.

On vote 1703:

Mr. Singer: Mr. Chairman, on vote 1703, I was wondering if the hon. Minister, having listened to the impassioned speeches from the hon. member for St. George (Mr. Lawrence) and the hon. member for York East (Mr. Beckett) when they were complaining about improper representation on the Metro council, might not have paid a little attention and begun to wonder whether there was proper representation by population within this House.

Hon. Mr. Yaremko: Mr. Chairman, I point out the fact that the hon. member is out of order. The item which the hon. member is proposing to discuss does not come within the estimates of The Department of the Provincial Secretary as was clearly pointed out a year ago.

Mr. Singer: Mr. Chairman, this is very confusing. I remember some discussion a year ago and we could not quite find out within whose estimates it came or where we can discuss as important a thing as representation by population in this House.

Hon. Mr. Yaremko: I understand, Mr. Chairman, that at the proper time there does appear an item in the estimates in this regard.

Mr. Singer: Whose estimates?

Hon. Mr. Yaremko: At the moment I just know it is not within the—

Mr. Bryden: Mr. Chairman, last year I was advised that it could not be discussed anywhere under the estimates. I must say I was very reluctant to accept that statement, but I finally had no option.

Vote 1703 agreed to.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, I just want to get information on vote 1701, maintenance \$203,000; vote 1702, maintenance \$5,000; and vote 1703, maintenance \$8,000. I would like to know what this amount under maintenance covers.

Hon. Mr. Yaremko: Would the hon. member repeat that?

Mr. Belanger: I would like to what the item Maintenance covers.

Hon. Mr. Yaremko: In vote 1703?

Mr. Belanger: Well, the hon. Minister has it in votes 1701, 1702, 1703—

Hon. Mr. Yaremko: That is the item of maintenance which is used throughout all departmental estimates. By and large, apart from specific references, specific items, it refers to those matters to carry on the department other than salaries and travelling expenses. It includes everything from the department buying a pencil to whatever else is necessary to carry out the functions of that department as shown.

For example, in the main office, the hon. member will see it is broken down into sal-

aries, travelling expenses and maintenance. Now in the maintenance section would be all those items, \$203,000. Most of that money is to deal with the—at least \$165,000—is to deal with the activities of the citizenship branch that I have pointed out. For example, \$70,000 is for providing services to these classes, apart from teachers' salaries which comes out of The Department of Education.

Mr. Singer: Mr. Chairman, in regard to the point where the hon. Minister suggested it was out of order: if, for example, it was decided that there be a redistribution, and there was some cost of printing maps to show the new ridings, would not the monies to pay for them come out of the department of the hon. Minister?

Hon. Mr. Yaremko: I believe it would, at that time, come out of The Department of the Attorney-General.

Mr. Singer: The Department of the Attorney-General? Well, I think this is a most basic thing. There are requirements this year—

Hon. Mr. Yaremko: All the hon. member has to do is read the discussion of a year ago.

Mr. Singer: I did not agree with it a year ago and I do not agree with it this year. Surely, when under the department of this hon. Minister comes the chief election officer, the chief election officer certainly has some responsibility to determine the boundaries of ridings. And if he determines the boundaries of ridings, or even prints maps about the boundaries of ridings, surely then somewhere we can discuss it.

Hon. Mr. Yaremko: He does not do either of those things.

Mr. H. C. Nixon (Brant): Well, what does an election officer do then?

Hon. Mr. Yaremko: He is in charge of elections at the proper time.

Mr. J. J. Wintermeyer (Leader of the Opposition): When is the proper time?

Hon. Mr. Yaremko: When elections are being held.

Mr. Singer: Well, Mr. Chairman, it is unfortunate we are not allowed to talk on something as basic as this, but let me try another tack.

Hon. Mr. Yaremko: I suggest that the hon. member reserve this for his Throne speech.

Mr. Singer: Does it come within the responsibility of the hon. Minister to have anything to do with the appointing of returning officers?

Hon. Mr. Yaremko: No.

Mr. Singer: No. Whose responsibility is that one?

Hon. Mr. Yaremko: I believe it is the Lieutenant-Governor in council.

Mr. Bryden: The hon. Minister makes the recommendations to the Lieutenant-Governor in council—

Mr. D. C. MacDonald (York South): I want to ask the hon. Minister for a courtesy. A few moments ago he said there was nothing in his estimates to cover this, but if we go to the appropriate estimate we could then discuss it.

Would he, out of courtesy, tell me where the appropriate estimate is for discussion of this topic?

Hon. Mr. Yaremko: Well, actually, Mr. Chairman, I cannot. The elections do not interest me except at the proper time when an election is being held.

Mr. MacDonald: In other words, the hon. Minister will not extend the courtesy to me?

Hon. Mr. Yaremko: I do not know.

Mr. MacDonald: Oh, the hon. Minister does not know? Well, a few moments ago he suggested there was an appropriate place.

Hon. Mr. Yaremko: The hon. member was talking in vague generalities. I should imagine that there would be, at the proper time.

Mr. MacDonald: Oh, now the hon. Minister imagines it, a few moments ago he knew.

Hon. Mr. Yaremko: The hon. member for York Centre did not even know that this point had been established a year ago.

Mr. Singer: Oh no, Mr. Chairman, on a point of personal privilege, I said I remembered the debate of a year ago. I was unsatisfied with the decision, and the decision today, that we cannot discuss this matter under this vote. I would like to know, along with the hon. member for York

South, where and when it can be discussed, on what estimate?

Hon. L. M. Frost (Prime Minister): Mr. Chairman, I do not know if it would come in any estimate. Everything does not come in estimates.

But I would say that it is proposed this year to bring in a revised Election Act, which we propose to refer to the committee on privileges and elections. That might give our hon. friends opposite the opportunity to make those speeches that they have in cold storage. I would say if they would just wait a while it will be brought in and that would be the opportunity.

Mr. Singer: Mr. Chairman, the committee on privileges and elections, if my memory serves me correctly, is the smallest committee of the House and to my knowledge—

Hon. Mr. Frost: If the hon. member wants a big forum, he will have the opportunity at the introduction of the bill, at second reading, and then in committee. That will give him a larger forum in which to discuss it.

Mr. Singer: Well, Mr. Chairman, I am not as familiar with the long traditions of this House as are most of the hon. members. But as I have read and studied the thing, it seems to me that the committee of privileges and elections deals with the privileges and elections of the individual members and to substantiate matters of discipline and things of that sort.

Hon. Mr. Frost: That is all right. But, since it is a committee of the House, it is a very convenient place to send a bill of that sort for consideration. It is a committee which has been used in the past in other revisions of The Election Act.

I am quite satisfied when the bill is introduced and it goes to a committee, if that committee is not satisfactory to the House, well I am the kind who always tries to satisfy people. But I think the committee on privileges and elections would be a satisfactory committee to which the bill should go for general consideration and overhaul. Now that deals with the whole subject matter.

Of course, there is no place in here for discussion of returning officers.

Mr. Bryden: Mr. Chairman, would the hon. Prime Minister indicate if the proposed new Election Act he is bringing in will give an opportunity for discussion of the boundaries of constituencies which is the matter which the hon. member for York Centre was trying

to raise when this discussion started? My recollection of The Election Act is that it has nothing to do with the distribution of constituencies.

Also, will it be permissible to discuss returning officers?

Mr. Singer: Well, that was my second effort, Mr. Chairman. My first effort was to try to find some forum or some estimate where we could talk about it.

Hon. Mr. Frost: I would say the hon. member has the widest possibilities of discussion on the Throne debate and the budget debate. Surely he should be able to work it in there some place.

Mr. Singer: Well, Mr. Chairman, this is just a brushing off of the subject. The hon. Prime Minister knows better than any hon. member in this House that it is only when we get into estimates, when we are likely to have a Minister answering criticisms at the time they are made, that it can be discussed. This way it is just being avoided.

Mr. Bryden: Mr. Chairman, I wonder if the hon. Minister would indicate, now that this matter has come up, if in addition to bringing—

Hon. Mr. Yaremko: Mr. Chairman, I wonder if we could get back to the estimates?

Mr. Bryden: Mr. Chairman, I would just like to ask one question on this important matter: In addition to bringing in a proposed new Election Act, is the government contemplating a redistribution of constituencies, in view of the fact that the present distribution is grossly unjust to large sections of this province?

Votes 1703 to 1705, inclusive, agreed to.

On vote 1706:

Mr. L. Troy (Nipissing): I have just noticed recently in the press that the ubiquitous chairman of the Hydro-Electric Power Commission receives a much higher salary than the hon. leader of this government. Also I understand that the mayor of the city of Toronto receives a higher salary.

It seems to me, from what little I have seen of the hon. leader of this government, that he controls not only this government but he controls the province of Ontario, and it seems to me his salary should be much higher than it is today.

Hon. Mr. Yaremko: If that question is directed to me, all I know about the situation

is that the hon. Prime Minister lives very modestly.

Vote 1706 agreed to.

On vote 1707:

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I wish to go back to vote 1706, item 7, grant to Commonwealth parliamentary association, \$1,200.

Mr. Chairman, I regret very much that this is being rushed through in this way. I think the hon. member for York East and the hon. member for Brantford (Mr. Gordon) wish to speak on this item.

Last year I received a call from Mr. Speaker to ask me if I would go as a member of a delegation to the Commonwealth parliamentary association meeting in Winnipeg, Manitoba. After I had consulted with our party, it was agreed that I should go along and represent our group. The hon. member for Brantford represented the Liberal party.

Well, it was a very enjoyable, informative and interesting affair. We toured different parts of Manitoba. Then, on the Friday, we had a meeting in the legislative chamber of the province of Manitoba.

When Mr. Speaker of this assembly telephoned me, he said: "All you have to do is get out there and the rest will be provided."

Of course, that was interesting, but we found it did not turn out that way. We had to pay our transportation out there, excepting the rail fare. Of course, we had to pay \$26 for the roomette on the train. When we got out there we found that we had to pay for most of our meals.

We did not mind doing that because we were very, very proud to represent Ontario. After a great deal of talk with some of the hon. members there, and when they realized that we had to pay our own way, I do not think we impressed them very much that Ontario is a very poor impoverished province.

In asking the hon. Prime Minister to consider the increase of this grant, I want him also to give us credit if he does receive any concessions from Ottawa in the next week or so. I think it was because of our position out there, being so poor and impoverished, that we impressed the other provinces that there was need for some further concessions for the province of Ontario.

Vote 1707 agreed to.

Mr. Thompson: I am sorry, sir, I have just one other question I would like to ask if I may.

I notice under the government stationery account there is an item here for M. C. Charters and Company Limited of \$12,706, and Charters Publishing Company Limited has another item here for personal printing, \$24,000. I wonder why they got this printing assignment. On what basis was it given to them? The name of one of them, in particular, rings quite a bell to me.

Hon. Mr. Yaremko: I would imagine, Mr. Chairman, it is because they are in the printing business.

Mr. Thompson: Is the printing distributed fairly to everyone across the province?

Hon. Mr. Yaremko: Across the length and breadth of this province. Last year, I believe, there were over 500 firms which supplied printing to the Queen's Printer.

Mr. Thompson: Does the hon. Minister suggest that all firms get a proportional amount according to the ability of their facilities, and it is on no other basis that they get printing?

Hon. Mr. Yaremko: That is one of the things.

Mr. Thompson: What are the other points of consideration that the hon. Minister makes?

Hon. Mr. Yaremko: Time; delivery.

Mr. Thompson: Delivering what?

Hon. Mr. Yaremko: For example, Noble Scott, which does the printing of the bills and order papers, and things of that kind, have a very substantial amount because they are in Toronto. Also the Ryerson Press, which prints *Hansard*. They print the hon. member's words—he speaks them today and they are practically on his desk tomorrow. That is another consideration.

Mr. Thompson: Does that cover all the considerations?

Mr. Nixon: May I ask the hon. Minister, whether at some stage, these estimates—the individual departmental estimates—are going to be bound together in the usual blue book with the accompanying summary?

Hon. Mr. Frost: Yes.

Mr. Nixon: Why do we not have it in this form now so that we can have them all before us? Is it because the sum total is going to be away over \$1 billion; and is the

hon. Prime Minister concealing it until the last estimate comes before us?

Hon. Mr. Frost: They are not all ready yet.

Hon. Mr. Frost moves that the committee of supply rise, report it has come to certain resolutions, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee; Mr. W. E. Johnston in the chair.

CITY OF NIAGARA FALLS AND TOWNSHIP OF STAMFORD

House in committee on Bill No. Pr2, An Act respecting the city of Niagara Falls and the township of Stamford.

Sections 1 to 18, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr2 reported.

THE CORPORATIONS ACT

House in committee on Bill No. 37, An Act to amend The Corporations Act.

Sections 1 to 5, inclusive, agreed to.

Bill No. 37 reported.

THE MARRIAGE ACT

House in committee on Bill No. 38, An Act to amend The Marriage Act.

Sections 1 to 3, inclusive, agreed to.

Mr. D. C. MacDonald (York South): Mr. Chairman, is this The Marriage Act with regard to the deputy magistrates? I thought this was going to be referred to the legal bills committee.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): No, the bill that is going to be referred to the legal bills committee is The Vital Statistics Act.

Mr. MacDonald: The other day when they were introduced, it was indicated that both were going to be referred to the legal bills committee.

Hon. L. M. Frost (Prime Minister): I think the hon. member is right. I did mention that, but at the same time the hon. Minister pointed out it was not going to be referred to the legal bills committee.

I have no strong views on the matter. The explanations were given here the other day and I think we might as well go ahead with it.

The hon. Attorney-General (Mr. Roberts) expressed the differences between magistrate and deputy magistrate, and actually I think the effect of the bill is just this: Particularly here in the city of Toronto, where there are a number of old officials connected with the courts who are deputy magistrates and who are very highly qualified, this gives them the right, as it gives all deputy magistrates the right, to conduct marriages. In any event, I think it is particularly advantageous here in the city of Toronto where there is a lot of detail work and crowding in the courts. It may be that the hon. Minister actually has some of the names of these people who perform this function.

I think my hon. friend will agree that this bill is not really the place to discuss whether there should be deputy magistrates or not. I listened to the argument the other day, and I must submit that, perhaps, the use of deputy magistrates ought to be limited—perhaps more than at the present time—but I do not think this bill is the place to discuss it. I think the question is, whether the deputy magistrate in Ontario should be given the powers to perform marriages under this Act.

Mr. MacDonald: Is the hon. Prime Minister saying in effect that there are just a dozen deputy magistrates?

Hon. Mr. Frost: That is what I understood the other day—that in the whole of Ontario there really were less than a dozen deputies.

I want to say to hon. members I think there are cases where a layman can be a very excellent magistrate. I am not one of those who believe the appointment of magistrates ought to be made impossible. I believe one must view every case on its merits.

Mr. Chairman, I do not believe this is the place to discuss this, but I was quite interested in what was said in the form of question and answer the other day. I have known some lay magistrates who were very

excellent men. I do recognize, as I think hon. members do, that in these days there are so many technical matters which are now referred to magistrates that unless a person has exceptional training, which some laymen have, we probably have to confine magistrates to the legal profession, unfortunate as that may be.

I think the hon. Attorney-General said there were about a dozen deputy magistrates, and I think more than half of them were here in the city of Toronto. They are very able and qualified persons, and they take some of the burdens from the magistrates in the courts.

Mr. MacDonald: Mr. Chairman, I agree with the hon. Prime Minister that perhaps, if we get beyond the specific item in this Act, it might be more appropriate to discuss this elsewhere, and I assure him I will find a place elsewhere to satisfy myself on some points.

I should like to express agreement with the hon. Prime Minister on one other point. I agree that the distinction is not between the legal and the non-legal appointees. I think the real distinction is between appointing a capable man or a broken-down politician or a faithful ward heeler of the Tory party. If he is in the latter category, whether he has legal training or not, he is not a good magistrate.

Hon. Mr. Frost: I would say to my hon. friend that I know of no case of broken-down politicians being appointed during my regime, but I have under some other regimes.

Mr. MacDonald: Since the hon. Prime Minister's memory is a little faulty, I might remind him of one, not many years ago in northern Ontario, whose record in office was so atrocious that after a few weeks he had to be replaced.

Hon. Mr. Frost: Well, I know that we catch up with them in a very short time.

CITY OF PETERBOROUGH

House in committee on Bill No. Pr5, An Act respecting the city of Peterborough.

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr5 reported.

Hon. Mr. Frost: Mr. Chairman, on the next item I understand there will be some discussion and it is only three minutes of six o'clock. We might go ahead with some of the smaller items below that and come back to that bill.

REUBEN EDWIN CLEGHORN
FOUNDATION

House in committee on Bill No. Pr20, An
Act to establish Reuben Edwin Cleghorn
foundation.

Sections 1 to 10, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr20 reported.

RENFREW VICTORIA HOSPITAL

House in committee on Bill No. Pr21, An
Act to incorporate Renfrew Victoria hospital.

Sections 1 to 21, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr21 reported.

It being 6 o'clock, p.m., the House took
recess.

ERRATUM

(February 6, 1961)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
900	2	30	Change to read: whether it shall be granted or refused, or it may be granted and then revoked. That



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, February 9, 1961
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 9, 1961

8 O'CLOCK P.M.

The House resumed.

TOWN OF LEASIDE

House in committee on Bill No. Pr29, An Act respecting the town of Leaside.

Section 1 agreed to.

On section 2.

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like to pursue the matter dealt with in section 2 of this bill, namely, the so-called vacancy on the board of education.

I asked a very small question of the hon. Minister of Municipal Affairs (Mr. Warrender) a week or so ago on this and received a typically surly answer from the hon. Minister. But I still would like to ask another question.

This clause of the bill provides in effect that the failure of Leaside to call for sufficient nominations as required by law for the board of education in the last municipal election shall now be remedied by treating the shortage of members as if a vacancy had developed on the board.

Last session The Schools Act was amended, as I recall it, to provide that towns of the size of Leaside should have boards of education consisting of 8 members rather than 7 members as had previously been the case. That amendment to the Act was passed at the last session.

I understand that The Department of Municipal Affairs, shortly after the Act was assented to, advised all the municipalities affected, including the town of Leaside, that in the next election it would be necessary for them to elect 8 members to the board rather than 7, as had been the situation in the past.

I am wondering if my information on that is correct. Did the department, in fact, notify Leaside of this change in the law; in addition to the notification that anyone gets when a statute is enacted—that it is a matter of public knowledge?

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Chairman, I cannot

actually state that we did notify the township. I would have to look into that and find out if there is correspondence on that point.

I would say that, from looking into the matter, an error was made. In order to save the costs of an election for the purpose of electing the 8 persons, it was decided to use this method, as though a vacancy had occurred after the election.

I can see nothing wrong with it and did not want to put them to the expense of an election again.

Answering the hon. member's question as to whether or not we actually sent a notice out to each one to notify them of the change, I cannot say. I think in all fairness that this is the proper way to approach it.

Mr. Bryden: Mr. Chairman, I believe that the democratic process of election in conformity with the law is a matter of considerable importance, and that it should not be overridden by considerations of expense, which I submit are not all that great.

The town of Leaside was in a position to know what the law was, and my submission is that they ought to have conformed to the law. They ought to have provided for the election of 8 members. There is not a vacancy on the board in the sense in which that is provided for in the existing legislation.

The electors of Leaside have never had an opportunity to elect 8 members. I know that if the full quota is elected and during the term of office one of them drops out for any reason, there is a provision to fill the vacancy by appointment for the balance of the term. But this so-called vacancy in Leaside exists for the entire term; there never was anyone elected to the post.

I submit, Mr. Chairman, that the law is there, the law ought to be obeyed, and when the city council of the town of Leaside fails to carry out the clear requirements of the law, they should be required to now obey the law and call for new nominations, even if it turns out to be necessary to hold a new election.

I submit, Mr. Chairman, that it is a poor practice to validate something that is done clearly in violation of the law.

I will recognize that sometimes, in the case of a small rural municipality which does not have sufficient advisers, this expedient may be necessary.

But the town of Leaside is not a small rural municipality. Its council ought to have known what the law was. They ought to have conformed to the law, and I believe it is most undesirable that now that they have broken the law we say that, in order to save them some expense, we will simply validate their action.

I believe it was an error to have inserted that section 2 in this bill.

I will agree that I happened to be absent from the private bills committee at the particular moment when that section came in. I may say that on that particular day, because of another engagement, I was 5 or 10 minutes late getting to the meeting of the committee, and by the time I got there this had gone through. Otherwise I would have raised my objection at that time. But having missed the opportunity to do so there, I would like to state my objection now, Mr. Chairman.

Hon. Mr. Warrender: Mr. Chairman, my answer to that is that this was thought the reasonable thing to do in view of the fact that the council brought in this bill itself, and in view of the fact that I have had no protest from any of the citizens in the township.

Also, this has been brought to their attention over a considerable period of time and no protests have been registered; so it was considered the reasonable thing to do under the circumstances because an error had been made by the clerk. I do not condone the practice, I must admit that.

Section 2 agreed to.

Section 4 agreed to.

Preamble agreed to.

Bill No. Pr29 reported.

CAPUCHIN FATHERS OF ONTARIO

House in committee on Bill No. Pr33, An Act to incorporate the Capuchin Fathers of Ontario.

Section 1 stands.

Sections 2 to 21, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr33 reported.

CITY OF PETERBOROUGH

House in committee on Bill No. Pr35, An Act respecting the city of Peterborough.

Section 1 stands.

Sections 1 to 10, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr35 reported.

CITY OF CHATHAM

House in committee on Bill No. Pr36, An Act respecting the City of Chatham.

Section 1 stands.

Sections 2 and 3 agreed to.

Schedule A agreed to.

Schedule B agreed to.

Preamble agreed to.

Bill No. Pr36 reported.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF CANADA

House in committee on Bill No. Pr40, An Act respecting the Young Women's Christian Association of Canada.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr40 reported.

UNIVERSITE D'OTTAWA

House in committee on Bill No. Pr42, An Act respecting the Université d'Ottawa.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr42 reported.

TOWN OF ARNPRIOR

House in committee on Bill No. Pr14, An Act respecting the town of Arnprior.

On section 1:

Mr. D. C. MacDonald (York South): Well, Mr. Chairman, I do not propose to go into the substance of this bill. I think it might be accurately stated that this bill is the final chapter in a rather sorry story.

I must confess that I was rather disturbed by the second-last chapter, namely, what happened at the committee on private bills when this bill once again came back for consideration a week or so ago.

It was introduced by the town solicitor who indicated that a year ago this bill had come before the Legislature suggesting a means of resolving the difficulties that they faced; that he had advised at that time that the solution was a good solution, and that there was really nothing wrong in how things had been handled back in Arnprior.

He was glad now to come back with a bill based on the recommendations of the committee of inquiry that was set up by The Department of Municipal Affairs. In other words, everything was all sweetness and light.

The shocking thing about that, Mr. Chairman, is that I find it impossible to understand how anybody could read the report of Messrs. Yates and Blake on what had happened in the town of Arnprior, and come to the conclusion that there were not many things that were most disturbing.

For example, the summation of the whole report—I repeat I will not go into the detail of it, Mr. Chairman—is in one sentence of the commissioner, namely:

The town sought to extricate itself in this whole *mêlée* of illegality and irregularity by obtaining special legislation.

Just a little later, they made this comment:

From our whole inquiry it seems that the neat question is now, which of two groups of innocent ratepayers are to bear the burden of the mistakes and irregularities of the council as it may now be impossible to saddle the company with any financial obligation.

Now, if I may say a word of explanation, to make that intelligible for hon. members who may not be familiar with the details; originally there were certain obligations clearly accepted by this subdivision company. There had been an effort to switch these obligations, on the basis of a local improvement, to those who bought the houses from the subdivision company.

And the proposal that we now have is that rather than switching the obligation, which originally had been that of the subdivision company in the agreement they signed with the town, instead of switching it to just a limited number of new owners of the homes they have built, some will be switched to the whole population of the town. This is the reason for the commissioners' report that the neat question now is: Which of two groups of innocent ratepayers are going to bear the burden of mistakes and irregularities?

The real reason that prompts me to get

up and comment on this, Mr. Chairman, is this: I was a little puzzled over the comments in the report, where it said in the concluding portion of that sentence I have just read, as follows: "It may now be impossible to saddle the company with any financial obligation." The word "may" caught my attention.

This was clearly the subdivider's obligation to begin with, in the agreement signed with the town. So I asked our solicitor of the committee on private bills for an explanation of these indefinite words. His explanation was this: That the agreement signed between the subdivision company and the town was such a poor agreement that it was open to varying interpretations. So much so that there is no certainty that the town can reclaim this obligation on behalf of the citizens, though he admitted that if the town so desired they could now sue the company. I think this is a rather remote eventuality.

Mr. Chairman, I draw this to your attention: The whole problem here, which permits the shifting of an obligation which was originally that of the subdivision company to these innocent ratepayers, arises out of an agreement which was such a poor agreement, so badly drawn up, that when they had to come to grips with it, they discovered that the ratepayers were not protected and the subdivision company was able to crawl out from under its obligations.

Who drew up this agreement, Mr. Chairman?

Well, interestingly enough, it was drawn up by a firm, Mulvihill and Greene. Significantly enough, these two lawyers were sitting on council at the time, so that there was an initial conflict of interest in that they drew up a poor agreement which we now find means that the subdivision company can saddle its obligations on the ratepayers of the town.

However, this was not the end of their conflict of interest, Mr. Chairman, because before the whole sad story was over, these same lawyers, while acting on behalf of the subdivision company, also acted for home owners, and did not inform these home owners that the obligation which they, the home owners, thought was with the subdivision company, was going to be switched to them, the ratepayers, who were just buying the homes.

Quite rightly, I think, the report states that this is not within the terms of reference of the departmental audit in Arnprior. They said this was a matter to be looked into by the law society.

When I raised this matter during my Throne speech, on December 1, the hon. Attorney-General (Mr. Roberts) intervened. His comment—he was not too certain at the time what had happened—was that it had been looked into and apparently the law society had exonerated the two lawyers involved.

The hon. Attorney-General called me afterwards to explain that he did not want to mislead me on this. Upon investigation, he had found that what had happened was the law society looked into it and, if my recollection of his words is correct, it was that the lawyers were not called on the mat, so to speak, by the law society. Rather, the law society looked at it from afar and cleared them of any responsibility—though they were sufficiently disturbed by it that a recommendation was sent out to all lawyers throughout the province telling them that such conflict of interest should be avoided.

Mr. Chairman, I am now going to come to a point which I have suspected from the beginning—not only was there serious conflict of interest involved by men who must have known better, but when this serious situation was drawn to the attention of the law society in a very damning report by Messrs. Yates and Blake, they looked at the matter and shrugged it off. At least no action was taken.

The question I want to ask, and I ask it bluntly, Mr. Chairman, is once again a question which I raised in The Department of Transport estimates in another context, namely, the uneven administration of justice or the imposing of penalties when there are people of influence involved.

Messrs. Mulvihill and Greene are two very important figures in the political life of that community. Mr. Mulvihill is a thrice-defeated Tory candidate, and was, I think, at that time the president of the Progressive-Conservative association. Mr. Greene was one of the contestants for the leadership of the Liberal party at their last leadership convention.

I suggest, Mr. Chairman, and say it bluntly, that if these two lawyers had not been in the influential position of these two men, if they had been relative nonentities, such as the man who got caught in the shady lady deal—a man who was not particularly important in the whole setup of the legal fraternity—they would have been “taken to the cleaners” just like the man in the shady lady deal was.

But they were men of influence, so the whole thing was quietly dropped. At least, no serious consequences flowed from it.

As a matter of fact, I found it little short of effrontery that the town solicitor should come before the standing committee and tell us that nothing of a disturbing nature had happened in Arnprior. If I may read one more sentence from the report, here was his own position:

In the material used on the motion to quash, there is an allegation that Mr. McLean, the town solicitor, acted for some of the purchasers from the company while he was town solicitor. If there is any conflict of duty and interest, this would be a question for the law society rather than for an inquiry of this nature.

In other words, Mr. McLean, as the solicitor for the town, knowing of this switch of obligations from the subdivision company to these people, acted on behalf of some of these people and did not inform them that they were going to have to assume these obligations which the subdivision company was crawling out from under.

Here was another instance where Messrs. Yates and Blake saw fit to draw attention to a conflict of interest. Unfortunately the hon. Attorney-General is not here, but I am curious to know from him whether the law society, on their own action, looked into this case, and whether they came to such a mild and inconclusive decision with regard to this serious conflict of interest.

I raise this question, Mr. Chairman, for this reason: I have said many times before—and I am going to repeat it because I am convinced of its validity—that when we have men elected to represent the public, men who have the legal training and knowledge of men like Messrs. Mulvihill and Greene, who know what a conflict of interest is, who know that they should not be sitting for a subdivision company drawing up agreements with the town and voting on them, the whole matter cannot be quietly dropped when attention is drawn to it.

I will repeat in this House what I have said outside it: That kind of action is an open invitation for these malpractices to continue.

If men like this can affront the law, can violate the ethics of their profession and there are no consequences in face of the law, and their profession in effect merely says, “Do not do it again because we may have to rap you a little over the knuckles,” this is an open invitation for people in elected positions to continue to violate the law.

This disease, which is so desperately difficult to contain, is going to spread still more widely.

I do not argue that we can do anything under this bill because I agree with the conclusions of the commissioners that, in face of this *mêlée* of illegality and irregularity, we must resolve the situation in Arnprior. The town council violated I do not know how many laws and how many regulations, creating this unfortunate situation, but there it is. This is the recommendation in their report, this is the special bill representing the final chapter in this sorry story.

But I submit, Mr. Chairman, in all seriousness, that this House cannot ignore the sorry story; because if we do, we are going to have more sorry stories to contend with in the future than we have had in the past, and there have been too many as it is.

Sections 1 to 5, inclusive, agreed to.

Preamble agreed to.

Schedule agreed to.

Bill No. Pr14 reported.

THE ALCOHOLISM RESEARCH FOUNDATION ACT, 1949

House in committee on Bill No. 40, An Act to amend The Alcoholism Research Foundation Act, 1949.

Sections 1 to 7, inclusive, agreed to.

Bill No. 40 reported.

Hon. Mr. Frost moves that the committee of the whole House rise and report certain bills without amendment and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and asks for leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. C. E. Janes (Lambton East): Mr. Speaker, when I was so rudely interrupted by the clock last Thursday, I was discussing the water problem in the province of Ontario, particularly in southwestern Ontario. Since then I have been able to report a very happy agreement that has taken place—at least very happy for 3 of our towns, I think I am safe in saying, in my riding.

Petrolia, as the hon. members know, has

had a pipe line from Lake Huron across to Petrolia for the last 70 years, and now they are proceeding to supply water to the two towns of Wyoming and Watford. These two towns have been suffering very severe water shortages and they have come to agreement now on the supply of water, which I am very happy to know about. It is going to be a wonderful thing for the people in those two towns.

I am hoping that there can be more study by our water commission on ground water in Ontario, and again I say particularly in southwestern Ontario. The ground water table is going down in that area very severely. I think I made mention earlier of one town that has taken action of its own accord and replenished its underground water and brought it back up to normal. I can see no reason why that cannot be done by other municipalities.

The problem is that some of them are not as well situated. But by working with the conservation authorities and holding back the water and keeping it from running off—I also made the statement that in my estimation 50 per cent of the water ran off into the lake—much could be done.

I discussed the matter with Mr. Watt, their water man. He states that it is well known over the country the average runoff is at least a third. But he agreed with me that, in the type of soil we have and the fact that the land is so well drained, it could well run to 50 per cent.

Now, with our increase in population, Mr. Speaker, and the increase in the use of the water in washing machines and everything else, I think we must move to raise our water table. In discussing the problem with the water resources commission I am convinced that they are cognizant of the situation and ready to take action.

Mr. Speaker, I would like to say something about the welfare situation in Ontario. After that filibuster we had the other night in this House when the hon. Minister of Public Welfare (Mr. Cecile) was giving his estimates, I think something should be said about what we are leading into and what is probably ahead of us.

On Friday I met the councils of 3 municipalities in Toronto down at the municipal board, then I was in their hotel afterward for a few minutes. One of them said to me: "I see they have increased the welfare grant 15 per cent." I said yes, they had. One of them spoke up and said, "I wonder where the point of no return comes, when it is not going to pay to work in this country?"

Another one spoke up and said that we had already reached that point in his municipality where there is a man with 6 children who refuses to work. He says he can get more money on relief than he can get working.

We are heading right into that situation, as they have in other places where they got into the welfare state.

I have a letter which I received from the Deputy Minister of Public Welfare telling me the application of one of my constituents had been received. He goes on to say that person will also be eligible for free medical services rendered by the doctor of his choice for home and office visits, and free hospital insurance under the Ontario hospital plan. Medical and hospital cards will be forwarded immediately.

An hon. member: What is wrong with that?

Mr. Janes: There is nothing wrong.

An hon. member: They must pay terrible wages down there.

Mr. Janes: Who is making this speech, the hon. member or I?

Mr. R. Gisborn (Wentworth East): That covers expenses too.

An hon. member: It is the hon. member's government that is doing it.

Mr. Janes: Just a moment.

Mr. T. D. Thomas (Oshawa): That is a bad Progressive-Conservative government they have over there.

Mr. Janes: Just a moment.

Mr. V. M. Singer (York Centre): Is the hon. member opposed to help?

Mr. Janes: I am opposed to that kind of help. I have a lot more the hon. members can listen to. I also noticed yesterday that the Ontario hospitalization plan is over-running the estimated cost by probably 3 times. They estimate the 1963-1964 cost will be \$388.7 million. Also, the hon. Minister of Health (Mr. Dymond) is announcing a mental hospital scheme for \$40 million.

I think it is time we stopped and took a look at things and did a little thinking about what we are leading into.

I have an editorial here from the *Toronto Globe and Mail* of Friday morning. I hope hon. members of this House read it. I would like, Mr. Speaker, to read some extracts from it.

It says that the federal government is spending, on welfare, at the rate of \$1.7 billion a year; the Ontario government is spending at the rate of \$50 million a year; the city of Toronto is spending on welfare at the rate of \$10 million a year. Since Ontario has roughly one-third of Canada's population, it may be assumed that all the provincial governments together are spending on welfare at the rate of \$150 million a year. Since Toronto has roughly one-thirtieth of Canada's population it may be assumed that all the municipalities in the country are spending on welfare at the rate of \$300 million a year.

There is some overlapping here caused by grants from one authority to another. However, it may be reasonably suggested that public welfare spending in Canada now runs close to \$2 billion a year. There is also private spending—churches, charities and welfares—and this could easily bring the total up to \$3 billion. Canadians publicly and privately are devoting something like one-tenth of all they earn to help the needy.

First of all, we would like to know who in Canada is hungry, who is going around doing without food in the precise sense of the term; going without food, suffering the actual pangs of starvation. If there are such people, then another crisis immediately presents itself: What is happening to the \$3 billion which Canadians spend every year for welfare? Precisely what is happening to the \$2 billion of this which is spent by federal, provincial and municipal authorities?

That is an indication of what we are heading into.

How much welfare is this \$3 billion providing? Those who need help, are they getting it—enough of it, the right kind—or is much of the money simply being thrown around and thrown away? It is this newspaper's opinion that half of the money now being spent on welfare in Canada could give twice as much welfare to the people who need it. And the people who really need it are in our opinion the only ones who should be getting it.

Mr. Speaker, there is no question in the world that a great deal of this money is being wasted. We know what is happening in our unemployment insurance; we see accounts in the paper every year where they are stealing from the government in unemployment insurance.

I have another interesting article here:

The Liberals, after a recent policy conference in Ottawa, approved the idea of a national medical plan for this country.

The British experience suggests that they may live to rue the day. When the British service was first planned, it was estimated that it would cost about \$356 million a year. In the first year of operation it actually cost about \$953 million and the cost has risen until it is now about \$1.8 billion a year, most of which comes from the general tax revenue.

Both the Labour government which introduced the health service and the succeeding Conservative government have attempted to check the growth of that burden on the Treasury by imposing charges for medical service, but without much success.

Precisely the same thing will happen, of course, if the Liberals ever manage to introduce their free health plan in Canada. The Ottawa conference made no official estimate of the cost of the proposed medical plan, but the unofficial figure mentioned was about \$300 million a year, of which two-thirds would be financed out of the government's general revenue.

We now have a more realistic estimate in the Canadian actuarial bulletin published by William M. Mercer Limited, that the Liberal plan would cost about \$750 million a year.

Thus it is no exaggeration to suggest that the Liberal plan, when in full operation, might well cost \$1 billion a year, of which the government would have to provide about \$650 million from general revenue. No government could possibly accept such a burden on the Treasury. It would soon be necessary, as in Britain, to increase charges for health services.

Mr. Speaker, I am opposed to that method of health plan. Let us sit down and use some judgment and think about what the taxpayer can pay. If the taxes are increased, we are going to run into a sales tax, or something of that kind, to get money.

I hope hon. members opposite will take the trouble, as I have, to go around to chain stores and watch the people who are buying groceries and buying goods to live on. They are poor people with large families. I have watched them coming out with a basket of groceries worth \$75 and \$80. If governments are going to increase the taxes, they are the people who are going to suffer. They are the ones who are not getting the help they need to get from our relief service. It is not being properly used.

There was something else, Mr. Speaker, I was going to mention about the discussion

the other night, when I thought about this \$5.50 per head they pay the Toronto people, which amounts to over \$8 million. If the needy Toronto people are not getting the welfare they need, the government should withdraw that grant and add it to the relief in Toronto and see if we could not take better care of the people in Toronto. I think I would include Hamilton in that, too. They are complaining pretty bitterly there.

Mr. Singer: Would the hon. Minister of Municipal Affairs care to make a statement on this?

Hon. W. K. Warrender (Minister of Municipal Affairs): I am not in my seat right now, Mr. Speaker.

Mr. Janes: Mr. Speaker, it is quite evident that these hon. members do not like that suggestion, but I certainly recommend that to the government.

I want to thank you, Mr. Speaker, for the opportunity of saying a few words here. I hope that the figures I have given will make the hon. members of the Opposition think a little bit. I was certainly amused to hear them suggest subsidizing railroads. They never seem to think and wonder where the money comes from—just spend it, spend it, spend it.

Hon. A. Grossman (Minister without Portfolio): Hon. members should not shoot until they see the whites of my eyes.

Mr. Speaker, at the outset I would like to extend my gratitude to you, sir, for the kindnesses which you have shown to me, and express my admiration for the able manner in which you have been conducting the affairs of this House.

I congratulate the hon. mover and the hon. seconder of the motion of thanks in reply to the speech from the Throne. The hon. member for Lanark (Mr. Comme) certainly provided us with a stirring, interesting and informative address, and I am sure that every hon. member found it very enjoyable. It certainly was a pleasure for me to listen to it.

I was also impressed by the constructive and eloquent speech of the hon. member for Simcoe Centre (Mr. Evans) who, I am convinced, will make important contributions to the debates of this House.

I also wish to thank sincerely those hon. members who were kind enough to compliment me on my recent appointment as a Minister of the Crown.

I would like at this moment, Mr. Speaker, to express my gratitude to the hon. Prime

Minister (Mr. Frost) for the confidence and trust he has placed in me in appointing me as one of his Ministers.

Interjections by some hon. members

Hon. Mr. Grossman: I am also very flattered, Mr. Speaker, that the Liberal Opposition has taken the trouble before this sitting to plan some sort of campaign to heckle me. I am very flattered and thank them. They should know though, sir, that usually I can stand a pretty good amount of even disorganized heckling, so it will not bother me.

Interjections by some hon. members.

Hon. Mr. Grossman: Mr. Speaker, if you will ask them to control their exuberance for a little while, I will proceed.

I have lots of time, Mr. Speaker.

I wish to assure the hon. Prime Minister, Mr. Speaker, and the House, that I will attempt to conduct myself as to be a credit to this government and to the people of this province. I accepted the appointment with both pride and humility—pride, of course, in the personal honour involved, and humility in the knowledge that the position brings with it great responsibility.

I also take this appointment as a mark of the hon. Prime Minister's respect and regard for the people of St. Andrew riding who, for the first time in the history of any government, are represented in a government. I am also honoured, sir, that my appointment was made to fill the position as Minister without Portfolio vacated by such a fine and well respected gentleman as the late member for Eglinton, the former Minister of Education (Mr. Dunlop), to whom we paid our last respects the other day. It will not be easy to follow in his footsteps.

Dr. Dunlop's ability and contribution to the destiny of our province will long redound to the benefit of the people of Ontario. He has left behind him a record of service which, in a practical way, will be a lasting monument to his dedication to the people whom he served so well.

I am sure that all the hon. members of this House join me in expressing profound regret at his passing and in extending sincere condolences to his widow. May the memory of the full and fruitful career of her late husband, in which she played such a large part, help her bear her sorrow with great fortitude.

Mr. Speaker, I am going to allocate the time at my disposal to the matter of unem-

ployment, which has provoked national controversy and has created so much heat, if not light, during the debates in this House.

The striking features, though hardly surprising, are the varieties of the so-called solutions presented, many cancelling each other out. The phenomenon is not new, of course. The late Mr. Lloyd George was reported to say, during the controversy about the gold standard system after World War I, that he had consulted 5 economists and obtained 6 different theories, the sixth from Lord Keynes.

Various views as to the causes and remedies of the present grave situation of unemployment have been expounded. The hon. member for York South (Mr. MacDonald) stated that, and I quote:

The basic reason for unemployment arises from the failure of the federal government to plan development of the Canadian economy so as to maintain a substantially high rate of economic growth.

The hon. member for Parkdale (Mr. Trotter) argued that, and I quote him:

It is a result of a lack of leadership, a lack of vigour, both in Ottawa and here in the province.

Many other hon. members have joined in the chorus to make the governments a pair of nefarious black sheep, par excellence. They also appear to forget that, in this country, every political party is represented in some government. We have a Social Credit government, we have Liberal governments, we have a CCF government, and we have Progressive-Conservative governments, and none of these governments nor all of them combined have so far found any long-term solutions.

The Progressive-Conservative government of Ontario has done a better job than any of the others. Mr. Speaker, I will elaborate on this a little later.

However, let us take a long look at the arguments as presented by some of the hon. Liberals. The Liberals have, for years, been attempting to label, in their election slogans particularly, the Progressive-Conservatives as the party of hard times, that is: "Tory times are hard times."

Now, if it were not sufficient merely to point out that the depression of the 1930s was a world-wide depression and, therefore, no Canadian government had any control over it; if it were not sufficient to point out that a nation of at that time some 10 million or 12 million people, bordering a powerful industrialized nation like the United States of

some 150 million, was really in its economy merely the backwash of that larger nation—I say even if these cold facts were not sufficient, and the Liberals insist that the party which was in power at the time of the depression in Canada was responsible for it—then I say this.

It would be just as well to point out that, as everyone knows, the depression was officially ushered in—if I may use that expression—in October of 1929 with the crash of the stock market. And I might point out that at that time there was in office the Liberal government of Mackenzie King. It was only almost a year later that the Conservatives were elected in an effort to halt the crashing economy which came during Mackenzie King's regime. The Conservatives held office from July 28, 1930 to October 4, 1935, when Mackenzie King was back in the saddle again.

Interjections by several hon. members.

Hon. Mr. Grossman: Now, Mr. Speaker, their voices are like the braying of the asses in the fields of Lebanon.

If anybody suggests that the years 1935 to 1939 were good years, he is either dreaming or just plainly ignoring the facts. They cannot tell me that. I rode the rods and sometimes slept in parks during that period of time. Unemployment even in 1939, in June of 1939, which is considered one of the best months for employment, was—

Interjections by several hon. members.

Hon. Mr. Grossman: Now, Mr. Speaker, I have been here for 6 years listening to the hon. member for Bruce (Mr. Whicher) crying out "Tory times are hard times." I say in that year, with the incomplete returns they had, not including certain sections of the labour force which are included in today's figure, in June of 1939 unemployment was 11.4 per cent.

Now surely we know and the hon. members of the Opposition know, everyone knows, that the years of thriving economy came about as the result of the war which was to follow the gloomy years of the 30s. Now, if I wished to be as crude as those who attempt to befuddle the electorate by trying to convince them that the Conservatives were responsible for the depression—and as they state, "Tory times are hard times"—then I could, just as properly, or improperly, accuse the Liberals by using the slogan "Liberal times are war times." But this is ridiculous, of course. The Liberal government was no more responsible

for the war than the Conservatives were responsible.

Mr. K. Bryden (Woodbine): Mr. Speaker, in view of the undeniable fact the hon. Minister has just cited, I wonder if he would agree with me that both the Liberal and Progressive-Conservative parties have demonstrated a total incapacity to deal with the economic problems of the country?

Hon. Mr. Grossman: Mr. Speaker, I think I pointed out earlier—I know I pointed out earlier—that there is a CCF socialist government in power in this country in Saskatchewan and they have not shown any ingenuity in respect of helping alleviate the unemployment situation there. As a matter of fact, they are not doing as well as the so-called reactionary Tories are doing here. The hon. member asked me a question and I give him the answer.

However, Mr. Speaker, as a Minister of the Crown of this province, it is not my function to defend the federal government, excepting insofar as I have done in placing some facts before the House. The House has a right to ask me what the provincial government is doing insofar as its limited powers enable it. Now I have stated "insofar as its limited powers enable it," and should there be any suggestion that I am hedging in this remark, about limited powers, I could quote profusely, from *Hansard* of this session, from hon. members of the Opposition who have stated in so many words that there are many limitations to what a province can do.

Let me quote just one or two. At page 83, the hon. member for York South, the leader of the CCF party, said, and I quote:

I think we should at least acknowledge we have made progress. The problem exists and government acknowledges its existence.

And at page 85:

May I suggest that unfortunately the constitutional limitations on provincial powers seriously restrict the possibility of effective action. After all—

And I am still quoting the hon. member for York South:

—is it not self-evident that if the federal government with its constitutional power has not been able to do an effective job, how can this government do an effective job when it does not have those constitutional powers?

An hon. member: Give us a little more than that.

Hon. Mr. Grossman: I will give the hon. members the rest of it:

Now it is a little difficult to believe why the people of Ontario—in fact, it is ironical that the people of Ontario—should be asked to pay such a needlessly high price for a Tory government at Ottawa, and should be asked to pay that price by the Frost government.

All right then, Mr. Speaker, I take it that we have agreed mutually there are very great limitations to what this province can do.

I point out that each of the hon. Ministers of the government brought into the Legislature a comprehensive programme which each of the departments has undertaken—mostly public works, of course—to alleviate the situation insofar as Ontario is concerned.

Our government in Ontario has been a very virile and energetic one. It has maintained a high rate of advancement. This is one of the reasons so many people, when they emigrate to this country—over 50 per cent—find their way into this province, because of its thriving economy.

Interjections by several hon. members.

Mr. Speaker: Order. I would ask that the members making their speeches be given every attention. I know no member of this Legislature wishes to speak with a dozen or more trying to speak at the same time.

Hon. Mr. Grossman: The latest official statistics on unemployment reveal that 8.2 per cent of the labour force in Canada—as at December 10, 1960—were out of work and seeking jobs. Provincial unemployment figures indicate that: In the Atlantic provinces the percentage was 11 per cent; in Quebec 10.1 per cent; and in British Columbia 10.9 per cent of the labour force were unemployed.

Incidentally, the province of Quebec and British Columbia, for their similar economic characteristics, can be consistently compared with Ontario. Ontario's unemployment was 6.4 per cent, the lowest of all provinces except the prairie provinces—5.5 per cent—whose lower unemployment ratio is, of course, largely explained by the fact that the agricultural sector predominates in their economies.

So, if we are going to give blame and credit, Mr. Speaker, then I tell you that we should be proud of this government for the tremendous job it is doing, within the limitations of a province, to maintain a high standard of living as well as a high standard of economic activity.

But the government is not satisfied merely to stand on its record. As I have pointed out, it has produced a comprehensive plan of public works and expansion in various departments, for the purpose of creating a good climate of employment.

Mr. R. M. Whicher (Bruce): Name one.

Mr. J. Trotter (Parkdale): Who wrote that speech for the hon. Minister?

Hon. Mr. Grossman: The hon. member for Parkdale accused the federal Progressive-Conservatives for having failed to create an adequate rate of growth for the economy. He alleged that, while between 1950 and 1956 industrial production in Canada rose by 20 per cent and investment by 24 per cent, between 1956 and 1959 both dropped substantially.

What did he imply by these figures? If he meant to say that it was the Liberals who had created such a high rate of growth of the economy prior to 1956, he must be confessing his ignorance about two factors responsible for the growth. In the first place, the Liberals were still in power in 1956, and certainly the conditions in 1957 and 1958 were to some extent affected by the policies put into effect by the previous government.

And as we know, our prosperity during the postwar period prior to the recession of 1958 had been due largely to favourable world economic conditions—that is, favourable for us. Europe had been struggling with the burden of postwar reconstruction and Japan had been still healing the wounds of war; Europe, Asia and the rest of the world had been demanding our goods and services.

Indeed, Canada—together with our southern friends—has enjoyed an absolutely favourable position.

I do not say that the world conditions alone brought us good times, but I challenge the cold statement that it was the Liberal party which created that prosperity. If this implication were true, then one could also argue that the Progressive-Conservatives in this province were just as responsible for the good conditions which existed in this province at that time, and can certainly be credited for the comparatively much better conditions which exist here now as compared to the other provinces, including those under Liberal and CCF governments.

Now the situation is fundamentally different. The capacity of production in Japan and Europe, which has been growing continuously, has borne fruit, and as a result its full impacts are impinging on our economy

under the form of competition. Furthermore, the current recession could be attributed to the Liberals, who pushed the tendency of overinvestment in the past years so that it has left the legacy of surplus of capacity of production.

Mr. Speaker, I wrote this before I read this morning's newspaper, and might I quote, as an evidence of what I have said, this morning's *Toronto Globe and Mail*:

An estimate that the Canadian electrical manufacturing industry is working at about 50 per cent of its capacity was given last night by J. Herbert Smith, president, Canadian General Electric Company, Ltd. He added that industry employment is down by 13,000 persons from 1956.

Mr. Smith, speaking to the Niagara district electric club in Hamilton, said the industry was in serious trouble and claimed two basic factors weighed most heavily on the current situation.

"The first," said Mr. Smith, "is the result of the massive capital expansion projects undertaken by many Canadian industries, climaxing in the mid-1950s. This has resulted in substantial plant overcapacity—at the current level of business activity—for many of the customers of the electrical manufacturing industry."

Mr. Whicher: Read No. 2; read No. 2.

Hon. Mr. Grossman: All right. I continue:

The second factor was a combination of a wage and salary structure in Canada that had outpaced productivity improvement and an aggressive attack on Canada's domestic markets by foreign producers of a wide range of products of the type normally made in this country.

Does that give the hon. member any satisfaction?

Interjections by hon. members.

Hon. Mr. Grossman: I am simply bringing out these facts to remind some of us in the House of the changing economic environment in which we are living, and only with adequate assessment of this environment can we cope with the problems of unemployment. There are many kinds of unemployment: there are, indeed, more than half-a-dozen adjectives preceding the noun "unemployment," namely, seasonal, cyclical, technological or structural, chronic, frictional, involuntary, voluntary and some others.

A good doctor would not prescribe remedies without precise diagnosis. Similarly, to cure

unemployment, we must know the causes of each type of unemployment. I do not need to go into the explanation of each type of unemployment, because most hon. members surely are familiar with them.

Surely the present unemployment includes a bit of each. There are some workers who may not wish to work, some who cannot work, some others are forced out of work because of automation, and some others are laid off only for short periods because of the seasonal characteristics of their industries.

Above all, the great proportion of the unemployed are out of jobs because of intensifying foreign competition.

Among a great number of causes conducive to unemployment, some are international and some others are national, provincial and regional. Therefore, there are some types of unemployment which can be coped with by domestic policies but there are some others which surpass the scope of national and certainly provincial measures.

Let us, for example, just assume that Ontario had unlimited funds—that the expenditures and plans involved in providing jobs for those unemployed was no problem at all, that we had all the money we needed and all the means at our disposal. In other words, let us assume that, on Thursday of next week, with government funds and projects, every one of these now out of work were to get employment.

What would be the result? Obviously, an influx of unemployed from other provinces. So, provincially, we would be exactly where we started. As a matter of fact, I have no doubt that the relatively good economic condition in this province has already attracted many from other provinces, whose unemployment percentages are higher than ours, and to the extent that this has happened this has brought up our percentage of unemployed, favourable as it is in comparison with the rest of the country.

This does not mean, of course, that because of this we in this province can ignore the situation. But I cannot see how anyone, unless attempting to make political capital of the situation, can possibly find anything but praise for the government's programme to alleviate the situation.

What else can the government do? The hon. Prime Minister has brought in his Ministers and had them outline, in each department of government, a comprehensive programme to create employment.

One might construe that my remarks are designed to pass the blame to the federal

government. There is no doubt that the federal government has a greater share of responsibility and greater resources for the solution of unemployment conditions, or at least for its alleviation.

That is not to say, though, that I am convinced that unemployment is capable of being solved for any lengthy period even on a national scale.

The contradictions inherent in the various arguments presented in the debate on this subject in this House and out of it are a good example of this. As I have said, many cancel each other out. For example, the suggestions ranged from higher tariffs, "Buy Canadian," tax manipulation or tax incentives, higher taxes, lower taxes. We had a deputation here the other day—incidentally I might tell the House it was a communist-led deputation—which suggested that what we needed to help the unemployment situation was to tax corporations higher. We also had some suggestions about wartime prices and control, the freezing of wages and profits, and keeping United States money and control out.

And I might mention here that the hon. member for Kenora (Mr. Wren) is not in favour of actions against United States control. I quote from page 110 of *Hansard* in which the hon. member stated:

Were it not for the United States, for example, the great Steep Rock iron mine might not be in existence today in north-western Ontario. Were it not for money from the United States, the Ontario-Minnesota pulp and paper industries at Kenora and Fort Frances would not be in existence today. Were it not for capital from the United States a good many of our gold mines would not be in existence today.

Here is a good example of the contradictory elements with which we must contend. The trade union movement, always exponents of free trade, have now completed the full circle. Permit me to quote from the February 3, 1961, issue of *Time* magazine.

The chorus of pleas for higher tariffs and more import quotas on foreign goods always rises in volume when the roar of United States assembly lines slackens a bit. The current business slump is no exception. And now the chorus has swelled with the addition of some new voices: labour unions, long among the staunchest supporters of freer trade.

For the first time, when the conservative, protectionist nation-wide committee on

import-export policy met last week in Washington, some 20 labour unions were represented. Breaking away from basic AFL-CIO policy, which remains free trade, the unions joined the committee's trade-association membership in recommending legislation to the new Congress to encourage higher tariffs and more import quotas.

The stand of the newly protectionist unions is put simply and forcefully by amalgamated clothing workers' president Jacob Potofsky, an old-time free trader himself until recently: "Do we have to stand by idly while our jobs are destroyed? Do our cutters have to continue to cut fabrics made in Japan?" Potofsky's answer: a resounding "No."

The clothing workers voted to take direct action against imported goods, and next month the amalgamated clothing workers' executive board plans to pass on an order to their members not to cut any Japanese-made fabrics received by a manufacturer after May 1.

The textile workers' union has argued to the United States tariff commission that tariff walls ought to be raised against foreign cloth.

The united hatters, cap and millinery workers' international has organized a "Buy American" campaign aimed at retailers and the public, distributes handbills before some stores that sell chiefly imported headgear.

Last year the 1,200-member local of the international ladies' garment workers' union in Roanoke, Virginia, struck the Kenrose manufacturing company incorporated, which had just opened a new plant in Ireland. The union won a company agreement to set aside part of its Irish profits to compensate workers for any wage loss resulting in the Virginia plant after two years' international operation.

Worried about the inflow of foreign electronic parts, the big international union of electrical, radio and machine workers called upon Congress and the President not only to curb imports but also to limit the flow of United States' capital into manufacturing overseas.

A fortnight ago the Chicago brotherhood of electrical workers went even farther. It notified its 137 employers that after May 1, its 23,000 members would refuse to handle any electronic parts imported from Japan. The pottery workers', the boilermakers' and the carpenters' unions are currently weighing anti-import actions.

Some of the cries against foreign competition are louder than the pinch warrants. Only 52,600 men's suits were imported in 1960 versus some 20 million turned out by United States factories. The imports of wool pants totalled 2.1 million versus 14.2 million made in the United States.

Moreover, from October 1958 to October 1960, the number of production workers employed in the United States coat and suit industry increased from 94,000 to 102,900 despite rising imports, and the workers' average weekly hours worked and total earnings increased as well.

Though imports of Japanese and Hong Kong cotton shirts have risen in 8 years from 200 dozen to 1.9 million dozen, United States shirtmakers are far from losing their shirts. Last year they produced some 26 million dozen. The competition has benefited the consumer: cottonmakers are stepping up research on wrinkle-resistant and soil-resistant finishes, providing United States buyers with better shirts than ever before.

So here is an example, Mr. Speaker, as I have said, of the trade union movement completely reversing its traditional policies on tariff. Also note that it is abandoning its traditional international flavour for extreme nationalism, that is "Buy American" in the United States and "Buy Canadian" in Canada. They seem to have forgotten, Mr. Speaker, a sorry lesson we should have learned by now, that trade wars lead to fighting wars.

Even the sensitive subject of immigration has been raised. The suggestion is that we must have immigration but that it must be planned—that is that immigration should be slowed down during periods of recession, that we should plan for housing to look after potential immigrants and have jobs available for them before allowing immigrants into the country. Some unions on this subject have also abandoned their traditional policy on immigration, and I quote from the *Toronto Globe and Mail* of February 4, 1961.

The international railway brotherhoods told the government today that immigration should be restricted to those who can assist in the development of Canada's natural resources or otherwise improve our economy.

The problem of unemployment, the group said, could not be dissociated from immigration. While Canada required more population to assist it in reaching full development, immigration could not be permitted to add to the unemployment problem.

That is a good way of straddling the fence. Hon. members should, at the same time, keep in mind that some Liberals here and in Ottawa are twitting the present federal government for slowing down immigration while some of the union leaders and some other Liberals and CCFers are complaining that there is not sufficient restriction on immigration.

Mr. V. M. Singer (York Centre): What is the hon. Minister's approach? He is running the show.

Hon. Mr. Grossman: I will give the hon. member my approach in a moment.

I have been engaged in immigration work, Mr. Speaker—that is, voluntary agency work—for a great number of years. I even went through the stages of believing that immigration can be planned; that you study the economy, see how many jobs are going to be available, what immigration can be expected, and so forth.

But after having gone through all these mental gymnastics, I, as well as many other immigration agency workers and supporters, have come to the conclusion that so-called planned immigration is a mirage. Should we have refused displaced persons and other refugees during and immediately after the war until we had planned everything in advance? Should thousands of families have been precluded from being reunited because we had not planned for their entry?

Who could foresee the Hungarian revolution? Should we have refused to invite the Hungarian refugees to our shores because jobs and housing had not been planned, after having encouraged them to revolt? Who knows but that tomorrow, Mr. Speaker, one of the iron curtain countries may change its cruel policy of not granting exit permits to those who want to leave? If that happens—say, in Russia, in Poland, in Latvia, or Estonia—should we refuse to let those people, who have been looking with longing eyes to the land of freedom, enter into our country because we are not ready with jobs and housing, and so on?

You know, Mr. Speaker, we on this continent sort of consider ourselves as a great generous people with our arms outstretched and saying to the world something like the words which are inscribed on the statue of liberty:

Give me your tired, your poor, your huddled masses yearning to breathe free. . . . Send these, the homeless, tempest-tost, to me.

We picture ourselves as being that way.

Actually, I think there are too many people in this country who make the statement, but they say: "Send them to us only when we are short of labour, when we think we can use them." I wonder how many people really have any humaneness in their hearts and want these people who want to escape from behind the iron curtain—who could, no matter what the standard of our economy is, find a haven here and find the standard of living we have here, far superior to that under which they are living?

All this is presuming, of course, that one still has to convince people that immigration creates employment and not unemployment. If this has not been proved by now, I think it is useless to try to continue this policy of trying to convince people that immigrants create employment and not unemployment.

Mr. L. Troy (Nipissing): The hon. Minister had better convince Ottawa.

Mr. Trotter: Did the hon. Minister tell that to the hon. federal Minister of Citizenship and Immigration (Mrs. Fairclough)?

Hon. Mr. Grossman: I do not think any hon. member in this House, or any hon. member in any House, envies the hon. federal Minister of Citizenship and Immigration her job because this is precisely what she is up against, the pressures from the various groups of people who try—as the hon. Minister of Energy Resources (Mr. Macaulay) says: "to suck and whistle at the same time." Some people say: "Yes, we want immigration but not right now, some other time, or wait until it is planned," and then they go to some areas of this country and tell some people they have to slow down immigration, and then when they get down to the immigrant groups tell them they are all in favour of immigration.

I do not envy the hon. federal Minister her position; she has a difficult time trying to do a proper job considering the political pressures which are put on her.

Now, what about the proposed remedies in relationship to unemployment? Again, this is this morning's paper.

Mr. Troy: Does the hon. Minister want to read some more?

Hon. Mr. Grossman: I have watched hon. members read their complete speeches from newspaper clippings.

Mr. Troy: Not as much.

Hon. Mr. Grossman: Oh, yes they have.

Interjections by hon. members.

Hon. Mr. Grossman: Mr. Speaker, the hon. members were complaining that we were not taking unemployment seriously. They had to have two days of debate when they really wanted 10 minutes in the first place, and now when I am using the Throne debate to discuss unemployment they are making a lot of jokes about it. Hon. members opposite do not think it is so serious, after all, do they? Apparently the government thinks it is more serious than they do.

Mr. Speaker, I read from this morning's *Toronto Globe and Mail*:

Tax incentives and stepped-up immigration are needed to revitalize Canada's manufacturing industries, a leading Canadian corporation lawyer told the Canadian textile conference today.

Laz Phillips, of Montreal, said playing around with tariffs and subsidies would be palliatives only in attempting to cure Canada's present economic ills.

The only final answer, he declared, would be an increase in population to 30 million or 35 million. Canada, he said, could not depend solely on natural increase to achieve this target; a larger and more continuous flow of immigrants would be necessary.

He finishes off with the statement that everyone from Liberals, CCFers, some Conservatives, industry, labour unions always finish off with—they straddle the fence:

Although some care would have to be used during periods of recession.

Mr. Speaker, let me deal with other proposed remedies which have been currently debated, namely, tariff protection, "Buy Canadian" campaigns, and other similar protectionist arguments. Should Canada protect her industries behind the wall of tariffs?

First, consumers could be exploited, and secondly the resulting retaliation by foreign countries would endanger our export industries which are of vital importance to our economy.

As to tax manipulation or tax incentives, here again they must be examined in the light of the whole structure of the economy.

Assume that the government reduces the rate of corporation taxes. If the market conditions were favourable, the producers with their additional savings induced by the tax cut could expand their plants and facilities, hiring more people, but even this assumes that the producer has no additional idle savings at present, which is not the case

in many instances, many producers having large reserves presently.

The crux of the question is not the lack of reserves for expansion but it is probably the conditions of the market, domestic as well as international. Many people, including some of the hon. members of this House, have used bottles of ink for arguments, the validity of which, I must admit, after some study, seems rather dubious. The reason for the invalidness of these arguments is that they overlook the fact that there are many pieces which make up the jigsaw puzzle of the whole of the economic and political structure. Any attempted solution which fails to recognize the fact that our economy is not a closed but an open one shall not succeed.

Now, let me deal with the perennial question which the people ask: Why can we have full employment during wartime, while in peacetime we fail in this respect? I use the term "full employment" loosely here because we have never had full employment. To prove this, I will quote some figures from 1945 to 1959. There has always been a measure of unemployment running from 2.2 per cent to 7.1 per cent in those years.

	Ontario	Canada
	%	%
November 1945	3.9	4.3
1946	2.8	3.4
1947	1.7	2.2
1948	1.7	2.3
1949	2.3	2.9
1950	2.4	3.6
1951	1.7	2.4
1952	2.1	2.9
1953	2.1	3.0
1954	3.8	4.6
1955	3.2	4.4
1956	2.4	3.4
1957	3.4	4.6
1958	5.4	7.1
1959	4.5	6.0

I could also point out that in 1945, when we were still riding the crest of war production and prosperity—those lush years—and with a rather incomplete method of tabulating unemployment figures, with many portions of our labour force not included in those figures, the unemployment figures ran sometimes as high and sometimes higher than in the 1950s—that in 1945 the figure was 4.3 per cent, almost the same as the 1955—4.4 per cent—and higher than in 1952 and 1953.

Obviously, the reason why we have almost full employment during wartime is because during a war we produce billions of dollars of munitions which are destroyed or become obsolete in a short time, and must be replaced at a rapid pace, and, also, we have to be satisfied with a somewhat lower standard of living. In other words, we produce, destroy the product, and replace it again.

This, of course, is what Huxley solved in his *Brave New World*, which our hon. friends, the socialists, would bring about if they took power.

Huxley's government, I believe it was, forbade the manufacture of anything of a durable nature. Everything produced had to be shoddy so that it required replacement in a short while. I forget the exact words the Big Brother in that world constantly dinned into the public's ears, but they were something like this: "Do not use it too long—throw it away."

Mr. Bryden: That is what is being sold to us right now.

Hon. Mr. Grossman: I might agree with the hon. member if he will listen to me for a minute or two.

Mr. Bryden: The hon. Minister should throw that speech away.

Hon. Mr. Grossman: Now, unless we accept this Huxley world—or perhaps it was Orwell's 1984—of "Big Brother is watching," we obviously cannot tell our people to throw their refrigerators out, to throw away their one-year-old cars, and so on, and buy new ones.

As a matter of fact, there is even a contradiction in the constant desire to increase our gross national product. The more we produce, the more salesmen we will need to sell the products whether there is a market for them or not. I want to quote from a book called *The Waste Makers*, which the hon. member for Dovercourt (Mr. Thompson), I believe it was, referred to earlier in the session:

At a press conference President Eisenhower was asked what the people should do to make the recession recede. Here is the dialogue that followed:

"A. Buy."

"Q. Buy what?"

"A. Anything."

Another quotation from that book:

Our enormously productive economy . . . demands that we make consumption our

way of life; that we convert the buying and use of goods into rituals, that we seek our spiritual satisfaction, or ego satisfactions, in consumption. . . . We need things, consumed, burned up, worn out, replaced, and discarded at an ever-increasing rate.

These quotations represent very well the economic philosophy underlying our affluent society. The present economic system is comparable with a huge machine which must be kept running to be efficient. We have devised, in order to sustain a certain rate of growth necessary for the integrity of the system, what is called "dynamic obsolescence." As long as consumers do not conform their behaviour to the pattern prescribed by *The Waste Makers*, the whole system becomes subject to sluggishness.

Perhaps this is what has happened now. Many consumers become more rational and hesitant before buying on the one hand and on the other hand some buy foreign imported goods. In other words, our producers have geared their whole structure of production to dynamic obsolescence and now, because of a changing pattern of consumption, a sort of diminishing return is creeping into the system.

I shall go back to the question of what we must do to retain at least the same level of employment in peacetime as we do in war. In my view we must substitute for that kind of production—that is, munitions and so forth—useful goods, but in place of the blowing up of the goods, as in the case of munitions, we should give them away. In other words, we should provide food and manufactured products for those millions all over the world who need these products—the hungry people, the people who can use our products, and are crying for them.

Mr. Speaker, I know this is not a new theory and, of course, I appreciate that it must be done on an international basis, otherwise we will have the imbalances of trade and the dislocation of economies of some of the participating countries. It must be a huge Colombo plan, multiplied a thousand times, with every country providing its share, probably a percentage figure calculated on a special formula designed to create the common prosperity of the world.

I would say that we should do this even if the citizens of the participant countries, including our own, must gradually lower their standard of living, as they do during a war, until the "have-not" countries catch up a bit.

I know this is somewhat idealistic, but I cannot escape the conclusion that only in

this fashion can we bring the almost full employment, to all, that we talk about. And when I say "all," I mean all the people of the world.

Hon. members will note that I have used the term "almost full employment," because I cannot honestly conceive of 100 per cent full employment all the time, except under dictatorship, where the state can order individuals to any location, to any work, at any wage, at any time.

Certainly, Mr. Speaker, if we refuse to use Japanese products, or Italian, or German products, or other countries' products, through the medium of tariffs or some other method, and the people of those countries are thereby thrown out of employment, what then? Trade wars, hunger, revolution and communism or fascism.

The Japanese, the Italians, the people all over the world are our brothers. We cannot as in the past live the good life while ignoring the destitute condition of other people of the world.

So when we boil it all down most, if not all, of the so-called solutions produced from time to time may be good for an exercise in semantics, or mental agility, or even for temporary palliatives. But none, I am afraid, provides solid solutions for the long run.

Having said this, I repeat that we all still have to do what we can in the particular world in which we live to make available as much employment for our country as is economically possible. This, of course, means that not only the federal, the provincial and the municipal governments must apply themselves to this task, but all the different sections of our community must do likewise.

I would warn, for example, those few callous employers, some large corporations, who the minute sales decrease slightly, begin to lay off employees by the hundreds and sometimes by the thousands for fear that their profits will be lessened or even wiped out for that particular year. I would warn them to realize that they have a responsibility in the community in addition to the profit motive. Certainly there are some instances in which some of their vast reserves could be used to keep their people employed in some sort of work or other during slack sales periods.

Surely, as a stockholder of a company, I would rather have my investment return for any particular year reduced by one or two per cent or even forego a dividend in that particular year than to see thousands of men thrown out of work. Even the economics of it are unsound because, in the final analysis,

when these people are thrown out of work, what is saved in return on my investment I will have to pay out through taxes for unemployment relief and other welfare costs, and so will the corporation.

This same admonition applies to some thoughtless union leaders who, regardless of the condition of their particular industry or employer, will make demands which at the particular time they know are unreasonable. This applies also in the case of some craft unions, which deliberately maintain a shortage of skilled labour through the means of restricted membership.

In other words, it is the responsibility of all of us to remember the humane aspect of economics as well as merely the balance sheet, the profit, the loss, the tax, the political gain aspect of the situation.

I repeat: we all have to do what we can to alleviate the situation. But, in the final analysis, it is bigger than any one government; and, insofar as our government in this province is concerned, I say again I am proud to be associated with this government's strong, energetic action to do whatever is within its power to alleviate the situation.

As I said, one of the problems we have today is that, in addition to other reasons, automation has created a situation whereby there is not as large a field for the unskilled worker as in the past. One need only read the "want ad" column of the daily newspapers to realize the apparently paradoxical situation, where the papers are full of advertisements for skilled labour and yet there is unemployment.

A partial solution here, no doubt, is to train as many of our unskilled workers as possible to become skilled in certain fields so as to fill the need required in that portion of our economy.

This is not an easy job, of course, because it is most difficult to train a man—say, 55 years of age—who has worked as a labourer all his life, for some skill which is foreign to him and which is very difficult to learn at his age. Further, even some younger persons may not be suited for anything but unskilled work. However, a start has been made in this respect.

Our hon. Minister of Education (Mr. Robarts) has announced that his department of the government is proceeding on a training programme—which will retrain unemployed persons for employment in business and industry—for 1,400 in Toronto as a start. This is in co-operation with the federal government, which will share the cost of such a programme with the province.

Mr. Speaker, one would hope that all of the encouragement possible would be given to such a plan, but one finds, on reading press reports, that the hon. leader of the Opposition (Mr. Wintermeyer) has criticized this plan; and I quote from the *Toronto Globe and Mail* of January 19, 1961:

Mr. Wintermeyer questioned the wisdom of a massive programme to build new vocational schools without first assessing prospects of on-the-job training in industrial plants and shops. By enlisting the co-operation of management and organized labour, he said, vast apprenticeship schemes probably could be organized at minimum public expense.

When one considers this approach, it is the usual sort of double-talk we get from the Opposition, in which they urge the government to do something, and when the government proceeds on such a programme they cry "too late" or "too little." But in this instance the government proceeded immediately on such a programme as soon as the federal government amended its schedule M; so this time the Opposition finds reasons why the government should delay such a programme.

Obviously, if the government were to delay the training of these unskilled people for these jobs until we arranged for conferences and meetings and committees of management and labour, and so on, it would be months, if not years, before such a programme could be gotten under way.

Again we can only presume—and I hate to say this, Mr. Speaker, because it is really a serious charge—that certain hon. members of the Opposition are not really interested in helping the government to alleviate the unemployment situation, but are merely interested in the political gain to be made from the plight of the unemployed.

I realize, Mr. Speaker, that it is the Opposition's duty to oppose; but certainly, in respect of such a serious matter as unemployment, they could refrain from criticism of the nature to which I have just referred—that is, criticizing a definite programme along the lines which have been recommended by many, including the hon. members of the Opposition.

It is very unfortunate that, at this hour of great trial in the destiny of our country, some of the hon. members of the Opposition take very negative and defeatist attitudes. When they were jeering the hon. Minister of Municipal Affairs (Mr. Warrender), when he was outlining the government's programme of extended public works, I asked them

whether they were happy because the programme proposed was bad or whether they were happy because the programme was good. The answer some hon. members shouted back was that they were happy because the programme was bad.

Along these lines, may I put on the record a certain television interview which took place last year. I quote from *Hansard* of the House of Commons, of April 1960:

Mr. Fleming (Eglinton): Some hon. members of the House saw a television broadcast within the past week in which one gentleman who is regarded as a rising star in the Liberal party was interviewed on a subject close to the one I indicated a moment ago. I refer to Mr. Charles Templeton, a man whom many of us respected very highly in his former calling. On this particular programme, Mr. Templeton, who is now regarded as certain to be a Liberal candidate in one of the Toronto or York ridings in the next election, whenever that might come—

Interjections by several hon. members.

Hon. Mr. Grossman: Are the hon. members across very proud of him? Listen to the dialogue; it ran to this effect. Mr. Templeton was being interviewed by Mr. Cohen. Mr. Cohen began by asking Mr. Templeton this question:

Mr. Templeton, I know that politics interest you. Off the record, do you see a revival on the federal scene of the Liberal party? Do you see them staging a come-back?

Mr. Templeton then replied as follows:

The only thing I would say about that is that there is a chance of a Liberal revival if there is the economic recession predicted by—I hope accurately—a number of well-known economists.

That is a shameful statement, Mr. Speaker. That is a terrible indictment of the attitude of mind of certain people who prove by such statements that they are vultures waiting to pounce upon the carcass of a destroyed Canadian economy for the sole purpose of gaining political power.

Some hon. members: Political vultures.

Hon. Mr. Grossman: Indeed, Mr. Speaker, the Opposition have been in recent times painting the situation in the most gloomy colours, thus inviting uncertainty in the minds of the people—uncertainty which is so fatal to economic growth.

Here, perhaps, I might be forgiven, to further prove the point I am making, for referring to a statement made by the hon. member for Essex North (Mr. Reaume). The other day when some of the hon. Ministers of the government met with a deputation of unemployed—a communist-led deputation—a deputation incidentally not approved by the legitimate trade unions, the hon. member for Essex North was sitting with this deputation when one of the speakers for the deputation referred to 500,000 unemployed in Canada. A short time later, another speaker used the larger figure of 600,000.

The hon. member for Essex North, when invited by the hon. Minister of Labour (Mr. Daley) to make some comment, made what I consider was a rather reasoned statement until he managed to get into his statement that in his view 800,000 was a closer figure to the true number of unemployed.

I am afraid, Mr. Speaker, that had that meeting gone on for another hour the figure for the unemployed would have run into the millions.

Important as we all know the question of unemployment is—necessary as it is that it be discussed—certainly any person exaggerating the figures out of all proportion is doing nothing but a disservice to the economy and will only aid in a downward spiral rather than help solve the problem.

Hon. members know that recession is not new. Recession and prosperity reflect the fundamental features of our dynamic free economy. We have had in the past a number of recessions, but we conquered them. There were people who said in 1957 that we were in a terrible depression and that grass would grow in the streets in 1958; but we had a great degree of recovery from that recession. And we will from this one.

In some years, as I have pointed out, considered as the years of prosperity, we had unemployment of a fluctuating nature. This by no means suggests that we can ignore the problem. We must continue to attack it as realists, with courage and with wisdom.

True; our wage rates are higher and raw materials for industrial production are more costly than in some other countries. True, foreign cars, electrical apparatus and household appliances are invading our market. Yet, should we spend our time lamenting the situation?

Some firm, notably the Montreal locomotive works, was able to underbid—and some hon. members read this, I think, in the newspapers—was able to underbid, in a contract for the building of 36 cars for Toronto's

new subway, foreign competitors in Japan, Germany and Britain, despite lower cost of production prevailing in those countries.

How did they do it? They did it by the use of ingenuity and enterprise. They took advantage of a clause in the Toronto transit commission specifications for the subway cars, which permitted bidders to propose alternative designs. The Montreal firm came up with a car 74 feet in length, instead of 57 as suggested; the longer cars presumably will be relatively cheaper to build.

The Toronto *Globe and Mail* properly states:

Now Canadian businessmen, who are inclined to be defeatist about competing with the so-called low cost countries, should note this.

Mr. Speaker, the problems are there, but opportunities for further expansion are still in the cards, and we will avail ourselves of such opportunities.

We must, of course, fight for our survival in the present changing world; and we must have the wisdom and flexibility to adjust our economy to emerging situations.

The present situation, though appearing troublesome at first sight is, I am sure, of a passing nature. I am certain that, if the hon. members of the Opposition are reasonable enough, they will unite the House in the attack on this disease, instead of dividing it.

Interjections by hon. members.

Hon. Mr. Grossman: What did the hon. member mean when he said there were 800,000 unemployed?

Mr. Whicher: Well, how many are there?

Hon. Mr. Grossman: 528,000 I think is the figure.

Mr. Whicher: It will be up to 800,000 by March.

Interjections by hon. members.

Mr. Speaker: Order.

Hon. Mr. Grossman: While we are grappling with the problem of unemployment, we should all do what we can to fill our people with confidence and optimism rather than exaggerate an already grave situation by filling them with fear for the future.

Mr. Speaker, I have already quoted to this House the remarks of the hon. leader of the CCF party, in which he pointed out that there are great limitations in respect of a province solving the unemployment prob-

lem singlehandedly; but I would say that, within the framework of those limitations of a provincial government, our government in Ontario, under the energetic and capable leadership of the hon. Prime Minister, is doing all it can to alleviate our situation in the matter of unemployment.

Furthermore, I am sure that, with the sincere co-operation of the Opposition, of industry, of labour and all levels of government, we will once again, as in the past, emerge from this temporary slowdown.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, as I rise I should like again to congratulate you for the manner in which you have handled this assembly throughout the early part of this session. I would like to congratulate the hon. Ministers in their appointments. I should even like to congratulate the hon. Minister without Portfolio (Mr. Grossman), who has just spoken, on his appointment.

I think, for the record, since the previous hon. speaker has chosen to read from the federal bureau of statistics for a couple of years—which he did to establish a pattern or try to infer that the employment situation was just as bad under the previous Ottawa administration as it is at the present time, I do have in front of me—by coincidence—a copy of the federal bureau of statistics unemployment figures for the years 1946 to 1959; and I should like to read them into *Hansard* because I think they are very indicative of the type of able administration which has been enjoyed by the citizens of Canada during the years prior to the present government in Ottawa.

I am sure, when I am through with these statistics, that even the hon. Minister opposite will believe them. The statistics show the average unemployment for the years 1946 to 1959 as follows:

1946—3 per cent.
1947—2 per cent.
1948—2 per cent.
1949—2.6 per cent.
1950—3.2 per cent.
1951—2 per cent.
1952—2.4 per cent.
1953—2.5 per cent.
1954—[a rather bad year] 4.3 per cent.
1955—4.1 per cent.
1956—3.1 per cent.

And then we had a change of government:

1957—4.3 per cent.
1958—6.6 per cent.
1959—5.6 per cent.

The reason I read those into the record, Mr. Speaker, is because I believe them to be right; and I am sure if the hon. Minister without Portfolio is able to go through these statistics and find they are wrong, I would be very happy to be corrected.

However, I obtained them from a very fine colleague of mine, the hon. member for Dovercourt (Mr. Thompson). I am very certain the hon. members will find, on checking these records, Mr. Speaker, that they are entirely in order.

And it was very amusing to me, as well, to note that the hon. Minister took the trouble to quote a comment of one of the commentators of the *Toronto Daily Star* in which he seemed to indicate that perhaps the Liberal party was on the decline. It seemed equally amusing to me that he chose to completely overlook the results of the last Gallup poll. If the hon. Minister does not have it in his possession I shall be very happy to obtain it and send it to him.

Hon. A. Grossman (Minister without Portfolio): I never said anything about the Liberal party being on the decline either.

Mr. R. C. Edwards: Mr. Speaker, I am continually amused at the manoeuvres of the government opposite, and particularly the hon. Prime Minister (Mr. Frost); although I must say that I never cease to marvel at the political prowess of the old master politician. I can honestly say that I admire his abilities; but I believe that, more than the people of Ontario, it is really the members of the "grand old Conservative party" he has at heart when he talks of protecting the rights of the people of Ontario.

When he recently replied to the question in this House with respect to the federal-provincial fiscal arrangements, he again used that shopworn expression about wanting his constitutional rights from the Diefenbaker government—which was 50 per cent of the Ontario taxes collected by Ottawa. He must soon realize that even the most misinformed people in this province now know that Ontario federal taxpayers pay more than \$1 into the Treasury for every one that is returned to Ottawa by these arrangements.

Consequently, when these political statements, which are intended to create favourable political impressions, are made he can justly be criticized for showing a lack of statesmanship as far as the citizens of Ontario are concerned. In my opinion, Mr. Speaker, this is fooling the people of this province. But as long as he gets away with it there

will be no cry forthcoming from the Progressive-Conservative party interests.

Mr. R. M. Whicher (Bruce): Too many hon. Ministers without Portfolio.

Mr. R. C. Edwards: With respect to the Elliot Lake situation, I wonder how many of the people who are still left up in Elliot Lake still believe that this Ontario government is very interested in their welfare. These people losing their homes because of mortgage payments certainly will not be inclined to think that any hon. member in the present government is concerned.

When the hon. Prime Minister was asked whether or not anything was being done to request the federal government to declare a moratorium, we were given some long dissertation stating that it was really a matter of decision by the lending institution, it was really a matter of their concern. When asked if these mortgages were government insured he stated he assumed they were, but it really had very little to do with the situation.

I would like to suggest to the government, Mr. Speaker, that it might conceivably have considerable to do with the situation. I believe that when these mortgages are insured by the federal government, two per cent of the face value of every mortgage is placed in a fund. This money is used to guarantee loans up to a percentage agreed with the lending institution. This money is also charged on direct government loan.

Providing the lending institution has been prudent and has taken reasonable steps to collect the money, any losses up to this predetermined percentage are guaranteed by the government.

I suggest, Mr. Speaker, that a government genuinely interested in these people would request that foreclosure action be not proceeded with here and further, to insure the mortgagor, that, providing such action is postponed for a given period of time, the right of the lending institution under the government agreement would not be jeopardized.

From the answer received from the government, I doubt if such a move has ever been considered. If such representation has not been made, possibly the Cabinet and the hon. Prime Minister might take it under consideration.

Mr. Speaker, I had not intended to participate in the Throne debate, but I would say at the outset that one of the reasons I have decided to speak is that I wish to bring to the attention of the Legislature a situation which exists in the province of Ontario. I

have no other opportunity than in the Throne debate to do this.

I believe, sir, that the primary responsibility of a government is to protect the rights of those whom it proposes to govern. I should like to speak for a little while about a relatively small group of Ontario citizens. I believe their plight is becoming more grave every passing hour because of the necessity that they surrender their property to the state in the interest of progress.

I do not charge that the government body is not acting within the provision of the statute, but because of expropriation procedures now taking place in the town of Hawkesbury, these people are being plundered and exploited for the benefit of all the citizens of Ontario. Up until the beginning of this week, Mr. Speaker, these people could get absolutely no assurance from this government that anything would be done to ensure their personal welfare.

As a result of the lack of such consideration, the hon. member for Windsor-Sandwich (Mr. Belanger) and myself visited the Hawkesbury area on Saturday, February 4, 1960. This was in response to an invitation which has been forwarded to the Liberal party in Opposition by the chairman of the committee which has been organized to protect the rights of these people who are being evacuated. Our purpose there was to make first-hand observations and, if necessary, to present their case to this Legislature.

I will tell you, Mr. Speaker, that we were very graciously received by the people of Hawkesbury.

I am sure that hon. members of this Legislature are aware of the fact that the present difficulties in the town of Hawkesbury stem from the fact that Quebec has now given notice to Ontario that they wish to proceed with the Carillon dam project. We have been advised that it is necessary to acquire property in Hawkesbury and some surrounding area up to a water level of 135 feet above sea level to allow for the necessary flooding to provide a headpond area.

Many people are very unhappy about the way they have been treated by Hydro and by this government in this undertaking.

During our visit to this area, we were advised that the people concerned had continually been told by the government agency that outright expropriation was the only course which could be entertained by the Cabinet of Ontario. This decision was made, Mr. Speaker, even though a very reasonable alternative which might have been feasible had been suggested by Hydro, and also in

view of the fact that similar alternative living accommodations were not available to these unfortunate people.

Every suggestion which was put forward by the committee was discarded as being impractical. Is it any wonder, Mr. Speaker, that in a last desperate effort these people contacted the official Opposition in this Legislature?

Hon. L. M. Frost (Prime Minister): Does the hon. member know that his government passed the bill? Does he accept that?

Mr. R. C. Edwards: I certainly do.

Hon. Mr. Frost: We were sold down the river by the Liberal party.

Mr. R. C. Edwards: I am very pleased, Mr. Speaker, that the hon. Prime Minister made that comment because I hoped to extract it from him. Of course, the Liberal party did not sell them down the river, but if the hon. Prime Minister knows anything about the history of this situation—

Hon. Mr. Frost: I sat right over there and listened to the whole thing.

Mr. R. C. Edwards: —he knows the dam projects were necessary in order to prosecute the war effort which was being conducted at that time. He knows that there was a minimum amount of electrical power—

Hon. Mr. Frost: Oh, now, now, now.

Mr. R. C. Edwards: —in Ontario and he knows that something had to be done to provide power for the people at that time.

An hon. member: The hon. member should read the journals of the Legislature.

Mr. R. C. Edwards: Mr. Speaker, I might say that I did read the journals of the Legislature.

An hon. member: He certainly did not learn very much, then.

Mr. R. C. Edwards: I even went to the trouble of getting from the librarian a memorandum, which was tabled in this House, submitted by Dr. Hogg and which set out the reasons why this project was necessary at that time.

Hon. Mr. Frost: May I point out to my hon. friend that the information given by the Liberal administration of that day was so accurate, it was so much needed for war purposes that it is just being developed today, in 1961.

Mr. J. J. Wintermeyer (Leader of the Opposition): Did the hon. Prime Minister vote for or against it?

Hon. Mr. Frost: I voted against it.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Speaker, I would remind hon. members that this did pass through the Legislature at that time, that the hon. Prime Minister did not oppose it. I would remind him that hindsight is a wonderful thing, but if he took the trouble to read the document, he knows very well that nobody knew in 1943 how much power was going to be required in order to successfully prosecute the war effort.

Interjections by hon. members.

Hon. Mr. Frost: This is the most disgraceful incident in the history of this province.

Mr. V. M. Singer (York Centre): Why did the hon. Prime Minister vote for it?

Hon. Mr. Frost: I voted against it.

Mr. R. C. Edwards: I do not know why the hon. Prime Minister is getting so excited.

Hon. Mr. Frost: I opposed it tooth and nail; it was pushed down the people's throats by the Liberal party.

Mr. R. C. Edwards: It is not often the hon. Prime Minister gets so excited before the case is presented. I hope when I am through documenting this case, this evening, that this Legislature, the hon. Prime Minister and all the people of Ontario will be fully aware of the shameful treatment that has been accorded these citizens.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Speaker, I do not know whether or not it is one of the reasons we are over here, but I would say to the hon. Prime Minister I would love to have the opportunity of running for the seat in Hawkesbury in the attitude and frame of mind those people are in now as a result of the carryings-on of this government.

Interjections by hon. members.

Mr. R. C. Edwards: If I might proceed, Mr. Speaker, I should like to advise the House that prior to the week—

Hon. L. P. Cecile (Minister of Public Welfare): I accept that challenge, my hon. friend.

Mr. R. C. Edwards: The hon. Minister accepts what challenge?

Hon. Mr. Cecile: That he will run against me in Prescott county.

Mr. R. C. Edwards: I will accept that challenge when a couple of the other challenges which have been issued in this Legislature by this side are accepted by that side.

But further, Mr. Speaker—

Hon. Mr. Cecile: Might I ask the hon. member a question?

Mr. R. C. Edwards: Certainly.

Hon. Mr. Cecile: Was that a nonpolitical trip that he made to the town of Hawkesbury?

Mr. R. C. Edwards: I think what the hon. Minister is getting at is—

Interjection by hon. Mr. Frost.

Mr. R. C. Edwards: I would be pleased to answer the question but the hon. Prime Minister will not let me, Mr. Speaker.

Interjections by several hon. members.

Mr. Speaker: Order.

Mr. R. C. Edwards: In the light of these carryings-on, he may be back sooner than the hon. Prime Minister thinks.

Mr. Speaker, during the week prior to our visit, arrangements were made for a public meeting, and meetings with affected people in the area. It is much more than a coincidence then, Mr. Speaker, that a press release dated on Saturday, February 4, 1960, the date of our visit, was released by the chairman of Hydro. By some sort of further coincidence it did not arrive on the desk of the hon. members of this Legislature until the Tuesday, and it is a very strange coincidence that it was mailed on the Monday.

Interjection by hon. Mr. Frost.

Mr. R. C. Edwards: If the hon. Prime Minister had not got so excited, he would have heard me tell him that I was down on Saturday, February 4. I have already stated that.

It is still very strange, Mr. Speaker, that that is the first indication which has been given by either Hydro or this government that anything would be done for these people other than outright expropriation; placing these people, Mr. Speaker, on the street without homes and at the mercy of speculators.

I should like to read that statement by Mr. James Duncan, the chairman of Hydro,

because I feel it is worthy of being read into the record. In this news release he states that:

Consideration is being given to the problem of moving homes which are now within the area to be affected by flooding from Quebec Hydro's new Ottawa river power development. When plans are fully developed, as many property owners as possible will be given the choice of selling their homes to Hydro or moving them to a new lot. In general, the proposed rehabilitation in Hawkesbury will be similar to the programme carried out by Ontario Hydro during construction of the St. Lawrence power project.

Hon. Mr. Frost: What is wrong with that?

Mr. R. C. Edwards: Does the hon. Prime Minister think it is a fairly good idea?

Hon. Mr. Frost: Well, I would say it seemed to be pretty satisfactory on the St. Lawrence.

Mr. R. C. Edwards: I am very pleased to hear that because I am going to read, later on, the comments of one of the hon. Ministers who did not think so. I continue to read:

The number of homes in the moving operation must await the conclusion of the studies now under way.

Mr. Speaker, in my opinion, the statement which I have just read is just so much window dressing.

Hon. Mr. Frost: Well, it was not window dressing on the St. Lawrence.

An hon. member: No, it was something else.

Hon. Mr. Frost: It was a dandy deal, I can tell the hon. member.

Mr. R. C. Edwards: I would ask the House, Mr. Speaker, if it does not seem very strange to hon. members that this statement should now be given, particularly in view of a press report circulated to the citizens of Hawkesbury away back on June 10, 1960. I am sure that hon. members would like to hear some excerpts from that release. It stated that:

Ontario Hydro engineers who had had wide experience in this field—speaking of moving the homes—are convinced that only a limited number of dwellings could be lifted in this fashion without suffering severe damage. To move these dwellings and provide new services would be a difficult and costly job.

That report went on, Mr. Speaker, to state that in view of these things—in view of the fact that the dyke which had been proposed was not practical—Hydro intended to carry on with the expropriation.

I submit to you, Mr. Speaker, that that release indicated in unmistakable language that Hydro intended to convey the thought to these people that they intended to evacuate them and that they had absolutely no intention of entertaining the action suggested in Mr. Duncan's latest news release.

I further submit that the earlier release was deliberately intended to cajole and entice these people into accepting Hydro's offers of settlement. If this had been possible, and if they had succeeded in persuading these people to do this, I suggest to you, Mr. Speaker, that no alternative would have been provided.

These people advise that the action which took place here, to try to break them down and get them to accept the path of least resistance to Hydro, is exactly the same as that which took place in the St. Lawrence development about which the hon. Prime Minister spoke a few moments ago.

They believe that if Hydro had been able to settle in one's and two's, that gradually it would have been a case of "divide and conquer." They do not believe that any alternative method of settlement would ever had been presented by this government or by Hydro.

Fortunately, Mr. Speaker, for the good name of Ontario, these people were endowed with some of the pioneer fighting spirit upon which this country was established. They decided to stand together against what I personally believe were unfair methods of acquisition, particularly—and I would like to point this out, Mr. Speaker—I feel the unfair methods of acquisition applied to the people living in the Hawkesbury area.

These people tell me that if 50 per cent or more had sold out to Hydro, and had taken their chances on the street, Hydro would then have been able to hold the whip hand on these people and they would have had to take anything which was offered.

In all fairness to Hydro officials, Mr. Speaker, it must be pointed out that at one time Hydro officials did recommend the construction of an embankment or dyke so that the river could be relocated, thus avoiding the necessity for moving many of these homes.

I am advised that this was vetoed by the hon. Minister of Energy Resources (Mr.

Macaulay). It is interesting to note the reasons for such refusal.

I hope the hon. Prime Minister is successful in finding what he is looking for in that old *Hansard*.

Hon. Mr. Frost: I might say to the hon. member that I did not look for anything, I was handed this. The fact is this, on February 12, 1943, the Conservative Opposition voted against this bill. In those days we had pairing in the House. At that time I was paired with Mr. Macfie who was the member for Middlesex South, and Mr. Henry was paired with Mr. Kelly. Mr. Macfie and Mr. Kelly were away and we were paired with them. That was the custom in those days. The vote at that time was 15 to 46. The Conservatives voted against and I was paired with Mr. Macfie.

Mr. Singer: The hon. Prime Minister was telling us that he violently opposed it.

Hon. Mr. Frost: That is right, so I did. But in those days they had pairing in the House, and if a member was away he was paired with another. Does that make it plain? I have not seen that method followed for a number of years, but it used to be that a member absent would ask a member of the Opposition to pair with him. That was done in both the House of Commons and here.

We fought this proposal tooth and nail. This was shoved down the throats of the people against their wishes.

Mr. R. C. Edwards: I am only sorry that, because the hon. Prime Minister found it necessary to fight it tooth and nail at that time, that now he is in power he finds it necessary to fight these poor people—

Hon. Mr. Frost: I would say to the hon. member that here is the situation. I went into this matter most thoroughly.

Mr. R. C. Edwards: I would be pleased to let the hon. Prime Minister speak as long as he—

Hon. Mr. Frost: I just want to point out to the hon. member that he is all wrong, that is all.

Mr. R. C. Edwards: If the hon. Prime Minister will give me his assurance that he will let me continue this, I will be glad to sit down and let any of the hon. Ministers develop this.

Interjections by several hon. members.

Mr. R. C. Edwards: Mr. Speaker, I would point out to the hon. members of this House this is not a point on which I have been giving my opinion. I have been giving to this House the opinions of the people who spoke to the hon. member for Windsor-Sandwich and myself during our visit.

Interjections by several hon. members.

Mr. R. C. Edwards: I would be very happy, Mr. Speaker, to tell them what the council told me. I have nothing to hide. I am trying to bring the whole matter out in the open. I have clippings from the newspaper which reported the event. If the hon. Minister from the area would like me to read them I would be very happy. I have the file here.

Hon. Mr. Cecile: I have been living there since 1934 and I should know more about it than the hon. member could learn in half a day.

Mr. R. C. Edwards: I am very sure that the hon. Minister does, and I am very sorry that he did not take more of an interest in these people and bring this matter to the attention of the government.

Interjections by several hon. members.

Mr. R. C. Edwards: Well, getting back to this matter of the dyke, Mr. Speaker, I am advised that this was vetoed by the hon. Minister of Energy Resources. I am very sorry that he is not here tonight. It is interesting to note in his letter the reasons for this refusal. In a letter the hon. Minister stated that:

This would result in delay and could quite conceivably reopen a matter which was of high controversy a number of years ago but which the people on both sides of the river have now come to accept.

It seems, Mr. Speaker, that expropriation was the means of least resistance, particularly if these people could be persuaded to be passive enough. Is it any wonder, Mr. Speaker—

Hon. Mr. Frost: If the hon. member would just let me speak, I will show him where he is grotesquely wrong. Mr. Speaker, I would point out that here was the problem, and I can state it in a moment or two. As a matter of fact—

An hon. member: Is the hon. Prime Minister going to ask a question?

Hon. Mr. Frost: No, I am going to try to put it right.

Mr. R. C. Edwards: I would be pleased to have the hon. Prime Minister put me right—if I am wrong. If these people are being treated properly, and if the government is proud of the way it is treating them, and if they wish to put their case before this Legislature, it is certainly the hon. Prime Minister's opportunity.

I would remind him, Mr. Speaker, that when I endeavoured to ask some questions on the Hawkesbury situation during the debate on Hydro in this House, it was the hon. Prime Minister himself who said he would not bring it back to this House and it could be answered in committee. I suggest to the hon. Prime Minister that if he really wants to bring this thing out in the open, that he allow further time for Hydro to be brought to this House and be discussed by the hon. members of this Legislature.

Carrying on, Mr. Speaker, is it any wonder that the people in the Hawkesbury area have lost faith in the bargaining which has been taking place with respect to this situation?

Let us consider the implications of Mr. Duncan's latest suggestion. It is my opinion that if Hydro does agree to move some of these homes at this late date, it will be of little consequence and of little assistance to these people.

Hon. Mr. Frost: If they want that, they can have it, that is all.

Mr. R. C. Edwards: I would ask the government what will happen to the large majority of homes which are apparently not suitable for moving? Does the government intend to turn these people out on the street, when most of them have their homes paid for? The only alternative which they will have will be that of purchasing new homes—yet to be constructed, Mr. Speaker—which will cost 3 and 4 times the amount that Hydro intends to pay them for their present homes.

If the government intends this, how can they expect these people to pay for them in their lifetime? Many have large families.

These people, Mr. Speaker, have chosen to live within their means and their contribution to our Canadian way of life is to be commended. They should be encouraged. They are honest, hard-working people and they are not greedy. They do not wish to make a fortune out of expropriation. They do not want to make a profit, Mr. Speaker.

Their only contention is that they should be entitled to be in at least the same position

they would have been had the expropriation not occurred.

Mr. Speaker, I say that the government has a responsibility to ensure that this is so. Nothing less than such action will be proper exercise of the duty which they undertook when they assumed responsibility for the government of this province. If they do not do this, Mr. Speaker, these people will be forced into debt that they just cannot afford to pay.

Quite logically and quite fairly, Mr. Speaker, I submit that it is a proper thing for an hon. member opposite to ask what other alternative is available. I suggest that in view of the urgency of the situation, due to the indecision of Hydro which was the agency of this government, that drastic steps be now taken to alleviate this problem. I believe that unless alternative accommodation of the type that they now have is available to them, it is the responsibility of Hydro, and of the government, to build other homes in the area and make them available for these people without large mortgages.

Present expropriation procedures might be workable in large metropolitan areas where the people can go out and purchase another home of the same class. Mr. Speaker, I ask you how can such a thing happen in a little community with a population of some 8,000 people, when approximately 20 per cent of the population are being dispossessed? Some other concept in the matter of expropriation becomes necessary.

I feel certain that the people of this province, by and large, do not expect the people of Hawkesbury to pay such a high price in the interest of our great province. I feel sure that the people of this province would expect the government to tackle the problem with some imagination and compassion, rather than the Conservative indifference which has been shown to date.

I further suggest to you, Mr. Speaker, that the principle of substituting new construction for old is not as radical as it might first seem.

The fact of the matter is, Mr. Speaker, some years ago the insurance companies in this province decided to apply this principle as it applies to fire insurance losses. At one time, if a person's home was burned and if it was necessary to replace old construction with new, allowances were made for depreciation.

Some years ago, Mr. Speaker, these companies adopted a policy of supplying new material without depreciation on the assumption that the people were entitled to the

same utility as they would have had if the fire had not occurred. And consequently, they should not be penalized because they could not duplicate the actual materials which were destroyed.

I honestly believe that the same principle applies in the town of Hawkesbury.

To divert just a moment, Mr. Speaker, I understand that a select committee is presently studying expropriation procedures in Ontario. I suggest that they give some consideration to the recommendation I have just made. I intend to make other recommendations to that committee, but feel that the point is better made now with respect to the "new for old concept" in expropriation.

I would like to point out some of the other features of the expropriation procedure now taking place which I believe to be not right.

An article, Mr. Speaker, appeared in a Friday issue—that is Friday, February 3, 1961—of a little paper known as the *Echo* which is a weekly publication from Hawkesbury. The article, under dateline of February 3, 1961, stated as follows. This is a news release, I understand, by the chief negotiator from Hydro. He says:

To assist Hawkesbury district farmers affected by flooding from the carrying on of power projects, Ontario Hydro has established a central clearing house of information about farm properties for sale. Harry Hustler, Hydro director of property, said detailed information concerning all available farm property in the district is being collected at Hydro's Hawkesbury office. The information which will include price, size, location, buildings, soil conditions, and so on, will be made available to farmers whose land is being purchased to make way for flooding caused by Hydro's Quebec-Ottawa river development.

"By having this information," says Mr. Hustler, "we hope to assist those who plan to stay in the area and are interested in purchasing farm properties."

Mr. Hustler explained that the information is intended only as a service to assist farmers in completing their own negotiations for the purchase of new property. He requested the co-operation of district residents—

I want the hon. members to listen to this, Mr. Speaker, because it is going to be really humorous when they find out the policy of Hydro a little later on. I continue:

He requested the co-operation of district residents in supplying information, details to be sent to the Ontario Hydro office, 152 Main Street West, Hawkesbury.

Advertisements asking for information have been placed in newspapers throughout the area.

This is quite strange, Mr. Speaker, because the people in Hawkesbury tell me that Hydro will not disclose to them any information whatsoever as to the prices they are paying for property in the Hawkesbury area. The Hydro-Electric Power Commission wants all of the people in the Hawkesbury area to be good citizens, to come forward and give them all the information Hydro can use in arriving at these prices, but stubbornly refuses to allow these people to know anything about the prices which are being paid for this land by Hydro in Hawkesbury.

Indeed, I understand they do not register these purchases in the registry office since the land transfer tax will tell the people how much is being paid for the property.

I ask you, Mr. Speaker, if this seems to be the type of open-faced bargaining which we might expect from an agency of the government? As a matter of fact, Mr. Speaker, they even told some of the people in the area not to discuss with their neighbours the price which was being offered by Hydro.

I suppose they thought these people would get together and, in this way, might be able to get an extra dollar or two for their own property. Apparently, Mr. Speaker, a one-way street is intended by Hydro.

Let us consider the plight of some of the farmers in the area. Any hon. member of this House, with any experience in the farming industry, will tell hon. members that a successful farmer must plan his operation one to two years in advance. Is it not possible to make planning decisions on a moment's notice.

Yet, Mr. Speaker, notwithstanding the fact that some of them received notices from Hydro as much as one year ago, advising that their property was to be expropriated, nothing has been done in many cases in the way of submitting a concrete offer by Hydro for the purchase of the land.

I would recommend to the select committee that they give consideration to writing a provision into the statutes which would make it mandatory for an expropriating body to submit an offer to purchase within 6 months of the date the expropriation notice is given.

How would any hon. member of this House expect a farmer to change his farming operation on such short notice, particularly if the negotiation takes place in the middle of the summer?

This dam is well on the way to construction. I visited the damsite, Mr. Speaker, and I find that the construction on the Ontario side is well on the way to being completed. It must follow, then, that these farmers will probably be evacuated on very short notice.

With respect to the study which the chairman of Hydro now indicates is necessary to determine what action is to be taken with respect to the moving of these homes, let me tell you, Mr. Speaker, what the hon. Minister of Energy Resources said when he ordered this expropriation in lieu of the Hydro recommendation of an embankment on the river to change its course.

The hon. Minister of Energy Resources said, in speaking of the agreement which was made between Ontario and Quebec, that it had stood for 17 years and the people of Hawkesbury have known for that length of time how this agreement would affect them and to what extent.

The question I would like to ask the hon. Minister of Energy Resources is this: Did not Hydro and this government know long ago that such action was unavoidable? Why did they expect these people to anticipate more than this government apparently anticipated? What good, Mr. Speaker, is the study now? Why did they not conduct these studies before this time?

I suggest that this, as I said earlier, is so much window dressing. If they intended to make a study, they had ample time to conduct that study before the negotiations reached this stage.

I submit further, Mr. Speaker, that a callous and indifferent attitude was taken to these people, much in the same manner as that taken at Elliot Lake. I wonder if, perhaps, the people affected do not vote Progressive-Conservative in sufficient numbers to warrant special or even proper consideration?

With respect to the situation at Hawkesbury, there is another human relations consideration which I have not yet mentioned. I am informed that there are some 80 families in the area to be evacuated who do not own homes but are tenants. One of them told me that when he approached the Hydro agent asking what consideration was to be given by Hydro, he was told that he was in exactly the same position with Hydro as with anybody else who might purchase his property. If he had a month-to-month lease, he would be expected to move on proper notice.

I submit to you, Mr. Speaker, that the two situations are in no way parallel. A prudent purchaser would purchase a property for his own use or if it were a suitable investment. He would not purchase 80 properties at one time and force all these people on a market at the same time.

So what happens on February 4, 1960? The chairman of Hydro issues a press release, and I should like to read the following paragraphs of the press release which apply to these tenants.

He states that Hydro is also collaborating with the federal, provincial and municipal governments in a study of a low-rent housing scheme in Hawkesbury and a final decision is expected in the near future. The chairman, Mr. Duncan, said:

Until our plans for relocation are made final, I wish to assure the owners of homes taken for this project that it is our intention that they will not be expected to accept major financial burdens in relocating themselves in dwellings of a similar quality in other parts of town.

My comment on that, Mr. Speaker, is that it is just so much nonsense. I do not think that Hydro ever intended to bargain with these people in any other way than a cold and callous way and toss them out on the street and let them fend for themselves.

Is there any hon. member in this House who can advise us what good this collaboration will be now at this late date, Mr. Speaker? I ask the hon. Minister of Energy Resources why this study was not undertaken years ago—perhaps the 17 years in which he said that the people knew this action was forthcoming. If not then, why was it not undertaken when he ordered this expropriation in June of 1960, in lieu of an alternative suggested by Hydro?

I suggest that the responsibility of Hydro now is to quit studying—if they have not come to any conclusions in 17 years, none is likely now—and build some homes for these people to live in.

The case before this government is that this whole transaction has been muddled and mismanaged by the agency appointed by the government and it is now up to the hon. Prime Minister and the hon. Ministers of the Cabinet to take the steps necessary to try to right the situation. Any failure on their part to take this action will only further condemn the actions of the government.

I pointed out earlier, Mr. Speaker, that it was not my intention to speak on this

Throne debate; but, in view of the indications by the hon. Prime Minister that this is a matter which would not again be before this Legislature, notwithstanding the fact that I had indicated that I wanted to ask the hon. Minister some questions about the situation in Hawkesbury, it left me only the alternative of bringing this up in my Throne speech.

The information given to the Legislature now should be ample reason for any hon. member to vote for the bill which has been presented by my hon. Liberal colleague from Bruce, and which is intended to put Hydro once and for all under the jurisdiction of the Legislature where it belongs, and where it is responsible to the people through their representatives.

Finally, Mr. Speaker, I am glad that the interest of the Liberal party in sending representatives to Hawkesbury has resulted in the hurried-up action as indicated by the chairman of Hydro on February 4, 1961—at least, that was the date on their letter—and mailed on February 6, 1961. I hope that the disclosures today will prod the government to go the remainder of the way necessary to protect the interests of this small minority group at Hawkesbury, Ontario.

Mr. Speaker, I do not know what the procedure is here. I have carefully avoided any reference to the hon. Minister representing the area. I have done that deliberately. I do not condemn the hon. Minister although I think it is his responsibility to bring this matter to the attention of the government. I blame the government of this province for the situation which has occurred at Hawkesbury, Ontario.

Mr. W. H. Collings (Beaches) moves the adjournment of the debate.

Motion agreed to.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, tomorrow we will proceed with the Throne debate. I might point out that on Monday there are no committee meetings, and I would like to make the motion that on Monday next the House will meet at 2 o'clock in the afternoon and that the provisions of rule No. 2 be suspended in respect to this motion.

My point is this: Monday is a day without committees, and if we meet at 2 o'clock then we can very probably obviate a night session.

It would seem to me to be reasonable to move such a motion.

I hold that just for this moment, sir. I was going to suggest the order of business next week as follows:

On Monday the estimates of The Department of Travel and Publicity; Tuesday, with a night session, the estimates of The Department of Agriculture; Wednesday, February 15, would be entirely devoted to committee work and that involves, sir, the consideration of the portable pensions matter; Thursday, February 16, a night session with the estimates of The Department of Reform Institutions; and Friday to be devoted to the Throne debate. Of course, the Throne debate might come into any one of these days, depending upon the length of time taken.

I do not want to make a provision in connection with Monday which would be unsatisfactory, but I would move, seconded by hon. L. P. Cecile, that on Monday next this House will meet at 2 o'clock p.m., and that the provisions of rule No. 2 be suspended with respect to this motion.

Motion agreed to.

Mr. L. Troy (Nipissing): Under what committee will we consider portable pensions?

Hon. Mr. Frost: I am not sure. It will be in one of the committee rooms, No. 1 or No. 2.

Mr. Troy: I mean, what committee; what standing committee?

Hon. Mr. Frost: I will let the hon. member know tomorrow. I do not recollect setting up a special committee in relation to this matter. I do not think we did. It was not assigned to a committee.

Hon. Mr. Frost: I will let the hon. member know the House.

Motion agreed to.

The House adjourned at 10.40 of the clock, p.m.



ONTARIO

Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Friday, February 10, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 10, 1961

10.30 O'CLOCK A.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as guests, students from King Edward senior school, Toronto, in the west gallery.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, there are one or two things I would like to say to the House this morning. Last evening the point was raised that the matter of portable pensions had not been referred to any specific committee. I am going to make this suggestion, sir, that the committee which would consider this would consist of all of the hon. members who would care to attend, and that therefore we would not put it, for the moment at least, in the form of a formal committee, but simply hear informally suggestions from all the hon. members who can attend.

There are certain other committee meetings which will be in progress, and it is not possible to interfere with those. But any hon. member who can attend would be welcome, because it is a matter which affects everyone in this House.

I would appoint the hon. member for Muskoka (Mr. Boyer), to whom I have not spoken, to preside over that committee which would be informally representative of every hon. member here.

If this is satisfactory, we could proceed, if it is necessary, to formalize the committee so that it should be considered a select committee. Or perhaps we could formalize this by later passing a resolution that every hon. member is on the committee and the hon. member for Muskoka would be the chairman.

I think that would meet the situation.

If the hon. members opposite have any point of view on that—

Mr. J. J. Wintermeyer (Leader of the Opposition): What about the time?

Hon. Mr. Frost: Ten o'clock in committee room No. 1. Notices will be on the desks, and I will have the brief or the report of the committee that I mentioned the other day in the hands of—

Mr. Wintermeyer: Is the hon. Prime Minister going to postpone the other committee meetings?

Hon. Mr. Frost: No, I did not intend doing that. I think we can carry on.

Mr. V. M. Singer (York Centre): Will the hon. Prime Minister let the same committee study The Election Act?

Hon. Mr. Frost: I will consider that in due course.

Mr. D. C. MacDonald (York South): He will give that consideration in the fullness of time.

Hon. Mr. Frost: The hon. member opposite is rather sensitive about the matter of the elections. I deem it as a routine matter.

An hon. member: We want one.

Hon. Mr. Frost: That is what the hon. member said the last time.

I have a matter here that I should like to announce to the House.

I have already explained the university committee and its functions of co-ordinating by way of co-operation, because nobody can talk in any other way but in the form of co-operation. One attends these university functions and sees the independence which is manifest everywhere. One could only refer to it in the line of co-operation of our now considerable university family, advising us as to their objects and requirements and assisting to distribute the funds among them having regard to their needs.

In other words, its purpose is to deal with and to advise in a comprehensive way on the matter of higher education.

May I say quite frankly that years ago—15 years ago, I suppose—we looked at the situation in the United Kingdom which varied so greatly from ours, because they are under a central form of government and there are other conditions. At that time, we appointed Dr. Wallace of Queen's. He carried on until the time of his death in a very formative way, and then subsequently Dr. Althouse took over the task and unfortunately passed away. Then the now hon. chief justice (Mr. Porter) carried on for a year or two, following which we appointed the committee now referred to as the technical committee.

I would say with such a committee it is difficult and perhaps very undesirable to spell out specifically what they should do. The words are more in this form, that the said committee do study all matters concerning the establishment, development, operation, expansion and financing of universities in Ontario and to make recommendations thereon for the information and advice of the government.

Of course, one cannot delegate to such a committee specific powers involving decisions of financing or what might be the co-operation among our universities. I point out to the hon. members that we think it is better to keep it in terms of very general reference.

We propose to have, as I have said before:

1. A university committee to deal with the general objectives and policies involved in our university picture. It is not the purpose of having this committee itself go into the very great detail involved, but rather to prepare such detail for the committee so that its work can be concentrated on the overall problems and objectives.

2. A continuation of the present technical committee which consists of the superintendent of education, the director of education, the Deputy Minister of Economics, the comptroller of revenue, and Mr. J. R. McCarthy, assistant superintendent of curriculum and textbooks, The Department of Education, to act as secretary. The provincial auditor's services are and have been available to this committee in a general advisory capacity.

3. The organization of a committee of the university presidents is contemplated so that the committee may have not only their advice individually, as is now available, but from a collective standpoint.

I might say that I discussed this with the university presidents, who met for the first

time in history some time back, in connection with another matter. I asked them, and pointed out at that time that we very greatly needed their viewpoints in connection with this problem, and that it would be well to have them collectively.

I would say to you, sir, that we are dealing in an area where anything that is in the form of regimentation or places our universities into a mould is entirely undesirable and unsatisfactory. Therefore, we have to have it in the position where we have a free exchange of viewpoint and from that, of course, is evolved policy which is acceptable.

The organization of the first portion of this body, the university committee itself, is of course affected by the death of Dr. Dunlop who, with his very vast experience, was in a position to make an outstanding contribution to the university problem.

It is contemplated having a committee of 7 members. The following have been appointed, and the balance of the appointments will be made in due course, because of course there are the matters of geography and other things to be considered.

It is proposed that the chairmanship should be under the hon. Minister of Education (Mr. Robarts). Now this is a decision which has to be made at some point, and it does seem, at the moment anyway, that the chairmanship should be under the hon. Minister of Education where we have not got the dislocations that come from a different type of organization.

On the committee will be the hon. chief justice of Ontario, who of course has a tremendous knowledge of this matter, both because of his present association with at least two universities in this province, and also from the fact that he was Minister of Education and at one time acted as the co-ordinator himself.

The next person who has agreed to act on this is Senator D'Arcy Leonard, a man of very broad views and capacities and I am sure he will make a very great contribution.

Another is Mr. Floyd Chalmers who has very wide interests. As a matter of fact, Mr. Chalmers has made studies of the possibilities of our Ontario research foundation, which I think has a more definite place in the realm of higher learning from the standpoint of the scientific and research angle, perhaps the co-ordination in some ways of our research facilities in this province.

It should be pointed out that the technical committee—which under the chairmanship of the director of education has been functioning

now for some two or 3 years—has available to it all of the necessary staff from any of the departments to assist in its basic work in obtaining the information which is necessary for the university committee in the broad scope of its work.

It is not our purpose to encumber the committee and the personnel with the great problem of getting the information and integrating it into a picture. That is being done by the committee which is already in existence, and which has done very excellent work.

I raise this point to explain it to the House and bring the matter up to date.

Mr. Wintermeyer: Mr. Speaker, this is a matter of the greatest importance, and I think it is a matter on which we should have some discussion at this time. It may be that the rules are not sufficiently broad to permit of a wide discussion. But I think some comment should be made.

I can think of no effort that has been made by government that is more important than this. I would not want to be put in the position where any remarks that I make are suggestive of criticism—quite the contrary. I welcome this move and I think that it is a move that we will all support.

The question, however, that I raise at this time is this: I would like to ask a series of questions rather than make observations before I make any conclusions.

The technical committee which the hon. Prime Minister is now formulating for the first time will be under the chairmanship of the hon. Minister of Education—

Hon. Mr. Frost: That is not what I refer to as the technical committee. I have put it really into 3 levels. I may say that this has been after discussion with various university authorities and others. The university committee consists at the moment of the hon. Minister of Education, the hon. chief justice, Senator Leonard, Mr. Chalmers, Mr. Gathercole as secretary—and I would like to add two or three to that committee. That would be supported statistically by the committee which presently is in existence and has a wealth of information—the committee under the chairmanship of the director of education, and which is representative of the top civil servants in organizational work. That committee has made its report to the hon. Minister.

We want to widen that so we can get a broad view of the Ontario picture in the “university committee,” which is not a

technical committee, but a committee with very broad views.

Time and experience are going to refine this, and time and experience are going to indicate what course should be taken. Time and experience will also indicate whether the hon. Minister of Education would be chairman, or a member of the committee, or whether in the end it would be independent of him; those things will be worked out by experience.

One has to start executive some place in it and, after sifting this thing over very many times, it was felt that this would be the best approach we could make at the present time.

I shall be very glad to have the matter discussed in the committee on education. As a matter of fact, it might be discussed on the estimates of the department. We are not approaching this with a closed mind. We admit that, in dealing with the universities and the magnitude of the university problem, we have to learn by experience.

Here is the situation in our province: we have developed very rapidly in the matter of the extension of our university family. In my first days I dealt with 3 universities, and now we are dealing with 12.

There is the matter of serving our province in a way which is satisfactory and encompassing, and I would say that in it is the commonsense assessment of which universities can do certain tasks the best. That is not an easy thing to deal with; but always where one finds exchanges of views a commonsense solution emerges.

There is also the problem of the assessment of university needs—finances. We have to remember that, in these things, there can be great enthusiasms or there can be the opposite. In this matter, I think it is necessary to take a stand of which people will approve.

The other thing is a matter which gives us all here great concern—that of research. At our universities, research is being conducted on a wide basis into a host of subjects. It is desirable that there should be some co-ordination and relationship between these things.

The amount of research being done in the Ontario agricultural college—which, of course, we should make available to other organizations—is little known. The brilliant work being done by many people may be perhaps lost in the shuffle, work which is costing a great deal of money. It is those things about which I am anxious—and I know

we are all anxious—to get a broad point of view.

I think perhaps that, by the course we are adopting, and which I am quite sure is supported by the universities themselves, we can work out the ways and means of doing these things and make much greater progress than we are making at the present time.

Mr. Wintermeyer: Mr. Speaker, if I may be permitted to make a further comment—and I realize that I am encroaching on your generosity now—I would say this: It is now my understanding that all 3 committees are going to work as a unit, if you will. That is, the universities will work with, and sit with, this new committee advised by the technical committee.

This is, I think, an advantage—rather than having the 3 committees working independently.

And, with respect to the personnel of the new committee, I feel that the people who have been appointed are of the highest calibre, and I certainly want to commend the government.

I do make the observation, however, Mr. Speaker, that the big problem, as I see it as far as governmental policy is concerned, is this simple determination as to how to keep our universities free and independent and fluid and how to finance them. There is the problem—how to provide the finances and keep them independent. I, for one, would absolutely oppose anything that suggested a big government university system.

What I am concerned about here, Mr. Speaker, is not the person of the hon. Minister of Education for whom I have high regard; but it is a step in the direction of governmental control of our universities. There is no question in the world but that the man who heads this committee is going to be the dominating personality behind this whole move.

I do not think that is what we want. I think we want advice and assistance from an independent, intellectual and experienced group of men—of whom we have many in Ontario—who will come to the government with their thoughts. Then the government can or cannot implement them.

Herein I detect the seeds of something of which I, personally, am afraid. I do not think that we want to make public schools, if you will, of our universities. What we want are well financed, independent institutions.

I know it is not easy, and I am not in a position today to say to the government that this is absolutely wrong, but I do detect something that could be very seriously wrong with this particular setup; and I certainly hope that the opportunity will be provided to us, at some time, to discuss this more thoroughly than the opportunity presents itself this morning.

Hon. Mr. Frost: Well, I will be very delighted, I can assure the hon. leader of the Opposition.

Mr. Wintermeyer: Well, that is the point I want to make.

The last observation is very simple. In the committee for university presidents, I presume the government will include all college presidents. We have many instances where we have federated schools, consisting of 3 or 4 independent bodies acting under one aegis, if you will, wherein there are 3 or 4 actual university presidents. I presume all would sit. The situation in Sudbury is a practical illustration right now. The presidents of each separate institution, I presume, would sit on this committee as well as the overall—

Hon. Mr. Frost: In response, I would say that we have about a dozen universities now. In the case of Sudbury, we have asked the presidents, as such, to come in.

Now, of course, in the university of Toronto federation, as hon. members know, there are a great number of colleges and this can be so broad that the committee becomes almost impossible. I would rather leave that to them.

In Sudbury, Father Bouvier is the president, a man of very wide and very excellent views, and it would seem to me that, perhaps, his people might meet together there. There are 3 colleges in the area—as a matter of fact, I think they are termed universities—but, in any event, they can gather together and compare notes. That also applies to some of the others, but let us work the situation out.

For instance, with the presidents of the universities, take Father LeBel, Dr. Gilmour, Dr. Hagley—these people really speak for the group they represent, and I do not think the hon. leader of the Opposition would want to alter it.

Our concept was to deal with the heads of the universities themselves, without getting the body too large and too unwieldy. We have allowed the university president as such to represent that view.

I want to say this to my hon. friend about the seeds of trouble he mentions—I discussed this at great length with the hon. Minister of Education. Here is the present problem in Ontario. Over the years, the universities in Ontario have regarded themselves as the particular problem of the Premier of the province, and they have not in the past consulted the Minister of Education at all to any great extent. They have come to the Premier of the province and, in the end, in the past, it has been the duty of the Premier to try to allocate this and that and so on.

Now I admit, sir, that it has to be done, I am afraid, on a pretty haphazard basis. There are tremendously varying views now taken in connection with university and higher education. And then, of course, there is the problem of the college of education, the training of teachers, all of these things.

So I would say the individual who is Prime Minister—myself and any person in the future—would be faced with very great difficulties in the matter. I can assure the hon. members that it is not a desirable situation. I think it is better to obtain this broad picture; to do anything possible to get it on a broad basis.

What I am suggesting is leading away directly from what might be termed government domination.

However, I would say that these matters can be discussed on the estimates, and they can be discussed in the committee on education. In the meantime, we are not approaching this with a closed idea at all. We are looking at it from the standpoint of trying to evolve better ways and means of dealing with this very great problem.

Mr. L. Troy (Nipissing): Mr. Speaker, I want to ask the hon. Prime Minister a question since he has brought up this subject of universities. I think it is apropos that I should do so, particularly after his statements.

He said that the problem of the universities is a particular problem of the Premier of the province. I ask the hon. Prime Minister, would he give an assurance about two bills which were presented to this House, one by myself on Thursday, December 1, regarding North Bay college, and on Monday, December 5, by the hon. member for Parry Sound (Mr. A. Johnston) for northeastern university?

Daily for the last two weeks I have been getting phone calls from my home city of North Bay to find out what is happening to those bills.

When I think of the plush treatment and

the red carpet that was put out last year for a university, I am rather surprised that at least these bills have not been presented to the committee to date. I know the House was informed at the beginning of this session that February 20, I think, was the last date for the presentation of these bills to the Legislature.

I know the agenda for next week is complete, and still there is no evidence that either of these bills is going to be presented. I cannot understand for the life of me why the bill for North Bay college has not been before the committee at least, because it is a denominational institution. However, the northeastern university is interdenominational, and probably that may be of some concern of the hon. Prime Minister, and to his Cabinet.

I might point out that we in North Bay at the present time have the first year of the northeastern university. We have 27 students in our first year, which is considerably more than some of the universities had initially. My hon. friend, the member for Windsor-Walkerville (Mr. Newman) was in the graduating class of that very fine institution, Assumption college, and there were 16 in his graduating class.

Not only have we 27 in daily attendance from various sections of northeastern Ontario—and I must confess to the area west of our city—but we have also 85 people in attendance at our night classes who are seeking to advance in their education.

All I would like to ask the hon. Prime Minister, because I know he is the fountain of knowledge here and the one who guides all the various ramifications of the government, is to give me the assurance, please, that at least the North Bay college bill will be presented to the committee.

Hon. Mr. Frost: Well, Mr. Speaker, I am quite unfamiliar with what the hon. member has mentioned. I did note the introduction of these bills, but I am not familiar with them. I asked the clerk of the House and they will be scheduled, and I can assure the hon. member that they will be dealt with in the ordinary course.

Mr. Troy: The hon. Prime Minister means the ordinary course of this year?

Hon. Mr. Frost: Oh yes, they will be before the committee, most certainly.

Hon. R. Macaulay (Minister of Energy Resources): Mr. Speaker, before the orders of the day I should like, if I may, to make

a statement on the storage, use and transportation of what are known as hazardous radioactive materials in Ontario, since on two occasions, questions on this subject have been directed towards me, although this is not a matter affecting my department.

Under the federal Atomic Energy Control Act, responsibility for all fissionable materials and other nuclear materials is vested in the atomic energy control board, which can delegate such powers as it sees fit to other federal agencies and departments, and to provincial and municipal governments.

On the federal side, such responsibility has been delegated to Atomic Energy of Canada Ltd., and The Departments of National Health and Welfare, Labour, Mines and Transport. On the provincial side, and here in Ontario, The Departments of Health, Labour and Transport, along with the office of the Ontario fire marshal have been concerned.

I think I should indicate to the House the basic difference between fissionable materials and radioactive isotopes, because I think this perhaps was where some discussion arose between myself and an hon. member when I was presenting the estimates of The Department of Energy Resources, because I was under the impression that he was talking about fissionable materials when in fact he was talking about radioactive isotopes, and they are worlds apart.

Fissionable materials are such as uranium, plutonium and thorium. These can be used in chain reactions and to create explosions, and they are completely under the control of Atomic Energy of Canada Ltd. Fissionable materials, as I say, are for example uranium as it is mined. It is radioactive but very slightly so, and it has to be refined and refined until it is capable of use in a reactor.

But this is not a radioactive isotope.

The materials such as fissionable materials are not a serious fire or radiation hazard in the forms in which they are available in this country.

Radioactive isotopes, on the other hand, cannot be used in chain reactions and in reactors, but are radioactive themselves, and because they are radioactive are useful in industries and hospitals where the radiation is put to work.

Let me give an example, if I may. Iodine in a bottle is not radioactive. Iodine put into the middle of a reactor will absorb much of the radiation given off by uranium and the stability of the iodine changes. Having absorbed something, it then desires to give

it off, and it has now become radioactive iodine, and it gives off a beam like a flash-light.

Thus iodine becomes a radioactive element in itself, although it is not a radioactive material.

Radioactive isotopes are modern and powerful substitutes for what used to be radium or used only in fields of radium, with which we have been familiar for many years. Some of these radioactive isotopes—such as cobalt 60, caesium 137 and others—are where some danger may arise in the case of fire or accident.

Nobody can obtain a radioactive source without obtaining a licence first from the atomic energy control board. Copies of this licence are sent to The Ontario Department of Health, which forwards a copy to the Ontario fire marshal. As this copy is sent in advance, The Department of Health is able to check on the establishment where the radioactive source will be used.

The fire marshal forwards his copy of the licence to the local fire chief concerned, who is expected to take all precautionary measures, including placarding the establishment and briefing his own staff.

The Ontario fire marshal not only provides stickers, but also provides pamphlets on how to protect personnel when there is danger of radioactive material escaping. Furthermore, there is an annual summer course for firemen on how to deal with radiation.

It is stipulated on these licences—which, as I say, are issued by the atomic energy control board—that the licensee himself must also notify the local fire chief of the presence and movements of radioactive isotopes.

A check on both the initial and subsequent deliveries is kept by the sending to the fire marshal of summaries of shipments of radioactive materials by Atomic Energy of Canada Ltd. In the incident referred to, where there was some delay in notification, the only shipments involved were to establishments already known to the local fire chief as users of radioactive isotopes, and hence there was no additional hazard to the firemen.

Shipment of such materials by rail, sea or air is under the tight control of the board of transport commissioners in Ottawa. Their standards are essentially those of the interstate commerce commission in the United States. They demand packaging standards which will enable isotopes to remain safely packaged in the event of a serious accident.

For example, a container must be capable of being dropped 20 feet onto hard concrete

without suffering appreciable damage. Any large shipment must be dealt with individually by the board of transport commissioners, and individual permission must be sought for each such shipment.

Containers must always be clearly marked. The road transport of nuclear materials is carried out at present by Atomic Energy of Canada Ltd., with the same high standards as those demanded by the board of transport commissioners.

In general, the system for ensuring safety in shipping and using radioactive materials is working well in Ontario.

Fissionable materials are not a serious radioactivity danger, and are strictly controlled by Atomic Energy of Canada Ltd. which is the main user. These are uranium and thorium, for example, and plutonium, used in reactors for the production of electricity or for experimentation at Chalk River and elsewhere.

Radioactive isotopes, on the other hand, however, are in effect a product, they are widely used, and they are subject to control by the department to which I have made reference. They are shipped to stores in plainly marked and extremely strong containers.

It can be difficult to trace a small radioactive source if it is part of some instrument such as a thickness gauge, and is declared as such when imported. However, The Department of Labour tracks the use of these items down through its factory inspectors and reports them. There is little danger in these items because the amount of radioactive material is invariably very small.

There can be situations where an isotope with a short, what they call half-life, loses strength so quickly that it is no longer dangerous by the time the paperwork can be done. For example, uranium will have changed in 4.5 billion years—half of it will have turned into lead, the other half will still be uranium. Californium, for example, as I recall, will turn completely from californium into another element in 12 minutes.

Finally, The Department of Energy Resources—and I make this from the point of view of my own department—is not responsible for fissionable materials, which are the responsibility of Atomic Energy of Canada Ltd., nor of radioactive materials, which are the responsibility of federal and other provincial departments, as I have indicated. I have pointed out which ones they are and how they are controlled that way.

This is so particularly since radioactive materials are not usable energy sources, and

those are the matters which come under the jurisdiction of The Department of Energy Resources.

Mr. Singer: Arising out of the hon. Minister's statement, which probably arose from some remarks of mine on two previous occasions—

Hon. Mr. Macaulay: They had nothing to do with the hon. member's remarks. They were raised by the fire chief of the city of Toronto, but I thought since the hon. member also raised it, it might be worthwhile making a report to the House.

Mr. Singer: Nevertheless, the hon. Minister having made a statement, I wonder if he still agrees that he has power to control these things under the general powers given to him in the Act?

Hon. Mr. Macaulay: No, I have no jurisdiction over fissionable material or radioactive material.

Mr. Singer: That is quite contrary to what the hon. Minister said when his estimates were up. He said there was power, that he could pass regulations if he wished to do so.

Hon. Mr. Frost: The hon. member misunderstood this. It takes a lot of explaining.

Mr. Singer: Perhaps it does. I am not quite as bright as some of the hon. members on the opposite side of the House. I recognize my limitations.

Hon. Mr. Frost: The hon. Minister did not want to put it that way, either.

An hon. member: We could reverse it, you know.

Mr. Singer: Nevertheless, it is of serious concern. I wonder if a better system could not be worked out, coming within the aegis or under the control of the hon. Minister.

As I understand it, he said that certain information must come from the atomic energy control board of Canada through the fire marshal to the local fire chiefs. Some of the information comes from The Department of Labour.

This is a matter of serious concern. If there is going to be this new department going into all these fields, the hon. Minister could co-ordinate all this under his department, and make sure that the local officials, who have some good reason to be concerned about it, are advised and proper precautionary measures are taken.

Hon. Mr. Macaulay: I appreciate the concern of the hon. member. I would draw to his attention, however, that my department is basically concerned with the resource which produces energy. The part to which I referred as to having some control in my department is when that resource is used to produce energy. Radioactive materials are basically a health matter and are not even closely associated with my department.

Mr. Singer: Well, Mr. Speaker, I simply raise the point—

Hon. Mr. Macaulay: This is not a debatable matter.

Mr. Singer: It may not be debatable at this point, but surely, Mr. Speaker, when the matter was raised—it was raised only twice, in December and again in January—and when no one apparently is prepared to take responsibility, we should be allowed to talk about it.

Hon. Mr. Macaulay: It is quite improper to say that. I pointed out to the hon. member that there is a procedure and it is working well, much to the satisfaction of many firemen.

Mr. Singer: Not to the satisfaction of many firemen.

Hon. Mr. Frost: It would never satisfy everybody.

SPEECH FROM THE THRONE

Mr. W. H. Collings (Beaches): Mr. Speaker, in rising to take part in this honourable tradition of the Throne debate, it is my pleasure to extend to you, sir, my congratulations on the very efficient manner in which you are carrying out the duties of your high office. I am sure all hon. members will agree with me and wish good health to you.

My congratulations go to the hon. mover (Mr. Gomme) and the hon. seconder (Mr. Evans) for an address in reply to the speech of the Honourable the Lieutenant-Governor (Mr. Mackay).

To the two new hon. members, who took their seats for the first time following the two byelections (Mr. Hoffman and Mr. Evans), I offer my very best wishes for a most pleasant sojourn in this House. I trust it will be long that these hon. members will represent their ridings in as efficient a manner as their predecessors have.

I also congratulate the new hon. Minister of Transport (Mr. Rowntree) and the two hon. Ministers without Portfolio (Mr. Gross-

man and Mr. Stewart). I am sure that they will bring dignity and honour to this House and to their duties.

Mr. Speaker, I join with all other hon. members in paying my respects to our beloved Dr. W. J. Dunlop, the late member for Eglinton.

As I look across the House this morning, in taking part in this debate, I generally like to offer congratulations to my hon. friends across there, and I do so this morning. They are looking fine and fit and ready.

Mr. K. Bryden (Woodbine): Is the hon. member talking about us?

Mr. Collings: Yes, I am. I certainly include the 5 hon. members on that side of the official Opposition when I say that I want to offer congratulations to my good hon. friends opposite.

Mr. Speaker, we do hear that Tory times are bad times. This has come from across the way, but when I stand here and look across, all those hon. members look well, even if the bottom has fallen out of the economy of this great province.

I come up here after a heavy morning's work with many problems, and I hear of the blue ruin and the falling apart of things. Then, of course, I get an opportunity to slip back down to that waterfront of ours here, and other problems present themselves. But I get a feeling that probably things are not so bad when all of the reports come in from across the province.

Mr. Speaker, it has been my privilege to utilize the opportunity in the debate on the speech from the Throne and the debate on the speech of the budget to deal with a few problems that present themselves in the department of which I have the honour to represent the people of this province.

Prior to the Christmas recess, the hon. Provincial Secretary and Minister of Citizenship (Mr. Yaremko) tabled in the House the annual report of the liquor control board of Ontario for the period ending March 31, 1960.

I believe the report more or less speaks for itself.

We set out the sales of alcoholic beverages in this province; we give and show a comparative statement with the previous year, and I cover quite extensively the operations during that period. I might just refer to one or two.

On page 3 of the report, we present the figure of \$1,048,000 that was paid back to the municipalities, or liability that was set

up for payments to the various municipalities, which represents a portion of the fees received from licence fees for the operation and the enforcement of The Liquor Control Act, and The Liquor Licence Act. We also set out the addresses of the new stores that both the board and the Brewers' Warehousing Company Limited have opened during the period.

I might also state here, Mr. Speaker, that all brands of beer sold throughout the province are examined and analyzed approximately 4 times a year. We also point out that during the year ending March 31, 1960, \$1,332,899 of individual liquor permits were issued. We show the cash on hand and in banks at that time, and we show the amount of inventory on hand. We show a consolidated balance sheet to which the provincial auditor appends his certificate and, I might say, Mr. Speaker, at this point, the inventories on hand at the close of that period amounted to some \$17 million.

Mr. R. M. Whicher (Bruce): Is that with tax or without?

Mr. Collings: That is with the federal tax. This is a laid-down cost to the board.

Mr. J. J. Wintermeyer (Leader of the Opposition): Does the board pay federal tax?

Mr. Collings: I do not mind the interruptions as we go along.

Mr. Wintermeyer: What is meant by a federal tax?

Mr. Collings: Well, I mean to say—on all domestic spirits there is \$12.50 per gallon; on imported spirits \$13.50 per gallon. That is to say, as a distiller bills or delivers to the board, we make two payments, one representing the excise tax, which includes sales tax, and the second for the purchase or the amount of the liquor itself. Am I plain?

Mr. H. C. Nixon (Brant): The excise tax includes the 11 per cent sales tax?

Mr. Collings: Oh yes, it is on the invoice, it is shown separately.

Mr. Whicher: What was the board's total profit?

Mr. Collings: Well, just at this moment I am dealing with the assets and liabilities page, I will come to that.

Mr. Wintermeyer: Mr. Speaker, I do not want to prolong this unnecessarily but just as a matter of information, who in fact pays the

federal tax? I realize that ultimately it must be paid by the distiller, but who makes the physical payment, the board or the distiller?

Mr. Collings: Well, we make the payment to the distiller and the distiller makes it. But taxes are practically cash, so we do have to get the price of the duties to the distiller within a week or 10 days of receipt of shipment. They have to pay out as it leaves bond.

This is a matter, I might say, Mr. Speaker, which becomes quite an item, the amount of duties on imported goods. We bring it in in bond, that is to say in our warehouse in Toronto and Ottawa we have a bonded warehouse, and as we withdraw the stocks from the bond, then we pay the excise duties on withdrawal. We are probably making and clearing stock daily from the bond.

In other words, let us say the third floor of our warehouse is the bond, it comes in by boat and rail, then into bond—I am speaking now of imported goods. Then, when we require we bring it out of bond into the free stock.

I want to make it plain to the House, Mr. Speaker, that during the navigation season, of course, we bring in our imports which carry us through to the following navigation period. But it remains in bond and we do not have to pay the federal tax until we release it from bond.

Now, my hon. friend mentioned the question of revenue—yes, profits—but there is revenue besides profits, in our operation. From the sales—this is the sales through our own stores—our gross profits in that period amounted to some \$68 million. Then our other revenues amounted to some \$23 million.

The House might be interested to know what are other revenues. Now I will just give those sizeable ones. The gallonage fee on beer production of the Ontario breweries: just under \$14 million. From beer brought into the province from other provinces, but from Ontario breweries: \$1.8 million. Licence fees—as hon. members understand, this is a consolidated report of both the liquor control board and the liquor licence board; \$4,426,000. And as I mentioned previously, permit sales \$1,334,000.

Also there are banquet permits and other numerous revenue items amounting to the \$23 million. Or, in other words, our gross profit on sales and other revenues for that period amounted to a little over \$91 million.

Then there were the expenses of the

board and the amount written off to depreciation which in total amounted to \$15 million, leaving a net income of \$76,351,000.

Mr. Whicher: How does that compare with last year?

Mr. Collings: I think it was something comparable to last year. I am sorry I have not the exact figure but it was comparable. The hon. member will know, though, that in the previous year we had a beer strike for two months in which the sales of spirits were higher, which I think we ended off with the two periods at about the same figure. I would be glad to look that up and let the hon. member know.

Mr. Whicher: Inasmuch as the board has made this large sum of money, is there any chance that it will either be increasing or decreasing the price in the next few months? There has been a tendency on the part of the liquor control board that, as soon as this House goes out of session they either raise the price or change it around somewhat, and we would like to bring it before the Legislature.

Mr. G. Lavergne (Russell): Does the hon. member want them up or down?

Mr. Whicher: I want to get the opinion of the hon. commissioner.

Mr. Collings: Mr. Speaker, at the moment I have no intention of raising the price or lowering the price. Of course, I must point out to the House, Mr. Speaker, that if and when the federal budget is struck, and if excise duties on alcoholic beverages are altered, I am sure that the House would agree that the board should always be in the position to be able to make adjustments in their prices to take care of whatever adjustments might have to be done at that particular time.

Mr. Whicher: Would the hon. member say, as far as the board is concerned, the prices will not be changed for the next year?

Mr. Collings: Oh, I could not give that undertaking at all, Mr. Speaker.

Mr. Whicher: If the hon. member cannot give it, who can?

Mr. Collings: Well, now, Mr. Speaker, the House is well aware that the board has a very close liaison with the Treasury board.

Mr. V. M. Singer (York Centre): And the public.

Mr. Collings: Yes, as the hon. member says, the public. I am sure the House would be interested in knowing that we have, including the liquor licence board, a total as at March 31, 1960, of some 1,968 employees. Also, I would like to give this information to the House, Mr. Speaker; that out of our 1,900 employees 105 at this time when this report was given to me, have 25 years' service or more; 43 have between 20 and 25 years' service; 132 with 15 to 20 years' service; 450 from 10 to 15. In other words, a total of 730 employees with 10 or more years' service to this province.

At this time, Mr. Speaker, I would want to express my appreciation to the very loyal support that the employees of our board have given to the people of this province.

Mr. L. Troy (Nipissing): Mr. Speaker, may I ask the hon. member a question with regard to employees? Would the hon. member tell me how many of these 1,968 got their jobs through the veterans' preference?

Mr. Collings: Mr. Speaker, unfortunately I could not say the number, but the hon. member knows that preference is given to those with military service.

Mr. Troy: I know it is supposed to be, but I do know a number of stores where it is just eyewash.

Mr. Collings: Oh, no. I would suggest and counsel the hon. member not to question me too closely on the matter of—

Mr. Troy: I do not want to embarrass the hon. member.

Mr. Collings: The hon. member will not embarrass me, Mr. Speaker.

Mr. T. D. Thomas (Oshawa): Would the hon. member permit a question?

Mr. Collings: Yes.

Mr. Thomas: Mr. Speaker, I brought to the attention of the commissioner last year the situation in Oshawa where men who were regularly employed were employed part time in the liquor store during the Christmas rush. I am quite sure that the hon. commissioner would not agree with that situation, and I believe it was corrected.

But I wondered if the hon. commissioner would send out some direction to the managers of the liquor control board stores in the province of Ontario that no man permanently employed is to be taken on part time when there are people unemployed?

Mr. Collings: Well, Mr. Speaker, that matter has been dealt with, and I can assure the hon. members that this is not a policy of the board. The hon. member brought to my attention this situation that did happen in his constituency. Let me say this, Mr. Speaker, that the gentlemen referred to, when they originally joined a few years ago were unemployed at the time when they first came with the board. I am sure that the House will appreciate the problem that we do face when it comes to a period such as that period of two or three weeks prior to the end of the year, that is the calendar year. The manager in question was anxious to have the two chaps who had the experience.

I go along with the opinion of the hon. member for Oshawa that, during times like this, we should endeavour to watch whom they employ temporarily, and that the money they receive should be to that extent of some help during this period. That has been looked after, sir.

Mr. Troy: Mr. Speaker, may I ask the hon. commissioner another question on employees? Does the headquarters here send out to these various stores the number of extra personnel that they may employ during the Christmas rush?

Mr. Collings: Well, Mr. Speaker, of course, head office knows exactly about how many extra would be required during a certain period, but this is a matter that is dealt with by the supervisor of the area, together with the manager in the store, and the personnel department of head office.

Mr. Troy: At what time of the year should one put in an application for a temporary job at the Christmas season?

Mr. Collings: Well, Mr. Speaker, I suppose if they come in now, as my good hon. friend from Brant suggests, we would then have ample time to be able to look into the qualifications of these people; but I do not think we would require this length of time, from now until next Christmas.

Mr. Troy: What is the practice in regard to promotions? Supposing there is a retirement of the vendor, what is the practice in promotion? Also, what is the practice in taking on employees? Is there any publication of vacancies so that residents of the area may know when there is a vacancy on the staff of the store?

Mr. Collings: Mr. Speaker, I do not know if I can put my hand just on the report, or that excerpt out of the report, of the com-

mittee looking into organization of government. But in dealing with that matter—yes, it is here—promotions. The policy of the board is to promote from within the organization wherever possible.

When a new store is opened, an effort is made to select the vendor from among the employees and this policy has improved employee morale. Now, that is said by those who were looking into our operation. That is the policy the board follows, and I can assure the hon. member that we always have on hand several applications from areas in which persons are looking for employment.

If we are opening a new store in a particular town or village or city, as is indicated here, the vendor comes—when we say the vendor we mean the manager—from within our own organization. Our personnel officer interviews every applicant we have on file, or who has made any application to the board, and the selection is made from those applicants.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, there are a few questions I should like to ask the hon. commissioner. Are there any qualifications for employees with his commission?

An hon. member: One has to be a Tory.

Mr. Newman: Mr. Speaker, I am interested in this because I want to know if there is any physical effort required in being an employee of one of the liquor stores.

Mr. Collings: Let me go back to an unfortunate period when the Brewers Warehousing Company stores were closed and we were open.

We found one morning that the stores of the Brewers Warehousing Company were closed. We had, within the liquor stores of this province, say, \$12 million worth of inventory. We had in the warehouses of the board a similar amount, another \$12 million—\$24 million worth of inventory. During the period of July and August all the stock in the stores was moved over the counter by our employees; all the stock in the warehouses was moved into the store basements, up out of the basements onto the shelves and over the counters; and a further \$12 million was brought into the warehouses and out to the stores to do business on September 1.

I am trying to point out simply this: our employees have to receive all of the liquor that goes into the basement, up from the basement onto the shelves. Now this is heavy work.

Mr. Whicher: Just like any other business, they have to work; that is what they get paid for.

Mr. Collings: Certainly they have to work.

Mr. Newman: Mr. Speaker, my purpose in asking the question was not to be a nuisance whatsoever. I heard mentioned in the Throne debate that there were certain fields which we could possibly limit to people over a certain age category; and I was exploring to find out whether, in the liquor control field, we could be employing people over, say, 55 or 60, seeing that the field of employment for them is very limited.

Mr. Collings: Mr. Speaker, may I just point out—and I think probably the schedule that I gave the hon. member a little while ago, where over 700 of our employees have been with us for 10 years or more, will indicate that the age bracket of the average employee of the board is up here—that, during the period I spoke of, I am sorry to have to say that we did lose some of our employees by overexertion. I hope the hon. member knows what I mean.

Mr. Newman: I understand quite well. I was interested in the temporary help.

Mr. Collings: We do not set any age limit on temporary help; unless, of course, it was in a store where the preponderance of the help is in the older bracket. Then, I think hon. members must appreciate, we have to bring in the younger man who has the brawn to do the lugging.

Mr. Newman: Mr. Speaker, I appreciate all those remarks; but my thought is that, possibly in this temporary help, the hon. commissioner could consider some in the older age category a little more than he does consider them today.

Mr. Collings: I can assure the hon. member we are giving that very careful consideration at this moment.

Mr. Troy: Mr. Speaker, the hon. commissioner's reference to the period when the liquor stores were doing a land-office business, when the brewers' warehouses were closed, brings up this point: There was no effort made in any of the stores in the city of Toronto that I visited in that period with regard to permits. People just walked in, put down the money, and there was no consideration given to whether one had a permit or not.

Why, then, in that period, when they were doing such a rush business that they did not

have time to look at permits, why the necessity of a permit?

Mr. Collings: Mr. Speaker, of course I do not accept that statement.

Mr. Troy: I am making it and I would make it under oath.

Mr. Collings: Mr. Speaker, as a general thing that happened during that period, I do not accept that.

I must move on; time is going, and there are many other little fields which I can move on to and progress.

I want to touch on the policy that was finally brought to a conclusion during the last 12 months; that concerns the policy of the board on liquor advertising. I am anxious, Mr. Speaker, that this be recorded in the record of the House.

On May 31, 1960, in a press release by the hon. Prime Minister (Mr. Frost) and the hon. Provincial Secretary and myself, we announced we had come to certain conclusions and were bringing forward an advertising code.

I believe we made it quite clear at that time that this is a matter that has given us great concern for a number of years.

I think I should read into the record probably the first paragraph of the press release. Now these are the words of the hon. Prime Minister, and I am going to quote:

This is a problem which has caused my colleagues and myself very great concern. Speaking for myself, I have given the matter a great deal of attention over a number of years. Three years ago I reviewed the matter very extensively, and I must admit that I have a great deal of reluctance in dealing with it because of my own personal views.

I frankly would prefer no liquor advertising if that were possible. Three years ago I gave the matter study, and determined to let the matter stand for the time being, and I am bound to say that has resulted in no improvement for the reasons that I shall briefly outline.

Then further on, Mr. Speaker:

Admittedly this is a difficult matter and unquestionably there will have to be amendments and changes in order to make the principles of what we propose conform with the varying conditions with which we are faced, not only in the province but outside of the province.

It is contemplated that the board will set up a division which advertisers may

consult in relation to the varying sections of the code which will be brought into effect by regulation.

So that there may be no misunderstanding in this regard, steps are being taken to evolve a national code. We are hopeful that what we propose doing may now be the basis for such a national code which, of course, has to be brought out by agreement amongst the provinces concerned.

This, in itself, might make necessary an amendment to our proposal. In this we are prepared to co-operate with the other Canadian provinces.

There are many points of view in connection with this difficult and controversial matter. Admittedly, we have not found it possible to arrive at a common viewpoint.

After very great consideration, however, we feel that the best method is to take positive action as we now propose. We are quite prepared to talk over the very many problems concerned with those who are interested. And if we can find betterment to what is proposed, we would most certainly consider amendments.

Now, Mr. Speaker, that was on May 31, 1960.

I took the code as proposed at that time to the annual meeting of the Canadian association of provincial liquor commissioners which was meeting in Jasper, July 3, 4 and 5.

At that meeting, Mr. Speaker, the code as presented was adopted and recommended to those provinces that could accept it under their present regulations. Following this, Mr. Speaker, July 20, 1960, the liquor control board announced the code.

And I will read, for the record, the covering letter that went out with the code. It was addressed to the industry:

For your information you will find enclosed, herewith, a copy of the board's directive upon advertising which was given to the member firms of the alcoholic beverage industry on July 20, 1960. The directive becomes effective in progressive stages upon the following dates, with reference to the media mentioned:

August 1, 1960, radio and television;

September 1, 1960, daily and weekly newspapers;

November 1, 1960, magazines, periodicals, subway cars, streetcars, bus interior cards and subway platform cards.

The trade has been notified that, until further notice, all advertisements shall be submitted to the board for approval prior to their use.

Now the code:

The code shall take the following form:

1. That the alcoholic beverage industry be permitted to engage in the following types of advertising:

(a) Public service advertising which shall be of the type that supports worthwhile campaigns of a charitable, educational or cultural nature on a national, provincial or municipal level and are definitely in the public service. In such advertisement, only the reference to the advertiser or his product shall be the use of its corporate name.

(b) Brand of product advertising which shall not include advertisements encouraging the use of alcohol but shall be brand reference advertisements. Such advertisements shall not contain family scenes, drinking scenes, bottles or glasses. They shall be confined to the use of the following:

(1) Body labels—not more than one label per brand. These labels shall not be presented in any way that can indicate the shape of a bottle.

(2) Trade marks.

(3) Brand names.

(4) Establish slogans.

(5) Recipes.

(6) Copy descriptive of the merits of the product.

(7) In every case the advertisement must be within the limits of good taste.

All advertisements, until further notice, shall be submitted to the liquor control board, Ontario, for approval prior to publication.

2. In public service advertisements, the advertiser shall be confined to the use of its corporate name, brand advertising being permitted. The use of company names which include brand references rendered unnecessary, the use thereof shall be discontinued. Brand advertisements may include more than one brand.

3. The space limitation which shall be imposed upon both the public service and brand advertisements shall be as follows:

(a) In daily newspapers:

(1) A maximum of 1,000 lines per advertisement.

(2) Only one advertisement per company shall appear in any daily issue of a newspaper.

(3) A maximum of 1,500 lines by a company shall be permitted in the calendar week issues of a daily newspaper.

(4) Weekend supplements of newspapers shall be considered to be newspapers and not magazines.

(b) In weekly newspapers:

(1) A maximum of 1,000 lines per advertisement.

(2) Only one advertisement per company shall appear in any issue of a weekly newspaper.

(3) A maximum of 1,500 lines by a company shall be permitted in a calendar week issue of a weekly newspaper.

The board may approve an increase in the maximum size of a public service advertisement appearing in any issue of a daily or a weekly newspaper.

(c) In magazines and periodicals, which must be published at periodic intervals of at least twice a year. Liquor advertisements shall not appear in annuals or programmes.

(1) A maximum size of one page.

(2) The advertisement shall be printed on one side of the page only.

(3) No foldovers which have the effect of extending the page shall be permitted.

(4) No supplements or inserts shall be allowed.

(5) Not more than two advertisements per company shall appear in any magazine or periodical in a calendar month.

(d) In streetcars, subway cars and buses:

(1) A maximum size of 42 inches by 11 inches in one card which shall be of the normal horizontal type.

(2) Only one card per company shall appear in any streetcar, subway car or bus.

(3) Only advertisements of the public service type to which may be added a reference to the advertiser's brand shall appear in streetcars, subway cars or buses.

(e) On subway platforms:

(1) The maximum size of one card facing any subway platform.

(2) Only one card per company shall appear facing any subway platform.

(3) Only advertisements of the public service type shall appear facing any subway platform.

4. The media in which public service and/or brand advertising may appear shall be as follows:

(a) Daily newspapers.

(b) Weekly newspapers.

(c) Magazines and periodicals.

(d) Interior streetcar cards, subway cards and bus cards.

(e) Subway platform cards.

(f) Radio and television in accordance with board of broadcast governors' regulations in force from time to time, provided that no company shall sponsor more than 1.5 hours of radio and 1.5 hours of television programming on any radio or television station in any calendar week.

Mr. A. J. Reaume (Essex North): I wonder if I could ask the hon. member a question.

Mr. Collings: Would the hon. member just let me finish this? I continue:

This time limitation may be extended in the case of culture or sporting events to cover the entire broadcast or telecast of such events.

Mr. Reaume: What I was going to ask the hon. member was this: if companies can advertise on boxcars, flatcars and newspapers and magazines and every other form of advertising, why can they not advertise on outside billboards? What is the difference?

Mr. Collings: Well, Mr. Speaker, the outdoor advertising media is not a media under the code.

Mr. Reaume: I know it is not under the code, but I am just asking the hon. member why it is not. Companies can advertise in every other form. What is objectionable about the outdoor advertising?

Mr. Collings: Mr. Speaker, this is limited, I will agree with the hon. member this is limited.

Mr. Reaume: Something new!

Mr. Collings: Well, it is not something new—

Mr. Reaume: Agreeing with me, I mean.

Mr. Collings: No, sir, billboard advertising was never a medium allowed for liquor advertising or beer advertising since away back.

Mr. Reaume: Well, why should it not be? Inasmuch as the hon. Prime Minister says it should not be, why should it not be? If they can advertise on streetcars, on the radio, in the papers—

Hon. L. M. Frost (Prime Minister): It should not be, and it will not be if I can help it.

Mr. Reaume: Well, why should it not be? Will the hon. Prime Minister explain that to

me? I do not know who is trying to explain it, the hon. Prime Minister or the hon. commissioner.

Mr. Collings: If the hon. member will take his seat, I will try to.

There are many media, Mr. Speaker, that are not included in this code. This is a restrictive code, certainly. We do not allow the use of calendars. If the hon. member had allowed me to finish and then asked the question, I would have covered some of these.

Mr. Reaume: I am sorry.

Mr. Collings: Does the hon. member mind if I just finish because I was coming to it right now?

Mr. M. Belanger (Windsor-Sandwich): Well, Mr. Speaker, I do want to ask a question since this question of billboards was brought up. The hon. commissioner mentioned it is not in the code. I do not know what he means by that, but to me this is an industry just as well as television, radio, newspapers, magazines. There are hundreds of people who live by the outdoor advertising, also by—

Hon. Mr. Frost: Mr. Speaker, this House is not in committee of the whole House, that we can allow a barrage of questions. Let the hon. member go ahead and make his speech.

Interjections by hon. members.

Mr. Collings: I will just go on. I quote:

Miscellaneous matters which fall into the category of advertising.

(a) Outdoor signs shall only be used on the plant or premises where the product is manufactured or sold and then only after being approved by the board.

The points that the hon. member mentioned have been thoroughly discussed with the outdoor advertising people.

Mr. Reaume: Oh, no, they have not.

Mr. Collings: Yes, they have.

Mr. Reaume: Oh, no, they have not.

Mr. Collings: Yes, they have. Now to continue:

(b) Company trucks and vehicles. The corporate name of the company only shall be used.

(c) Novelties, premiums, giveaways and point of sale articles, distribution of such articles is strictly forbidden.

(d) Educational films may be produced and shown provided that the credits and announcements are not more than allowed for radio and television, and the presentations are confined to nonprofit and non-commercial showings.

(e) Legal notices. Notices of this kind re change of address and telephone, and so on, shall be permitted, provided that the maximum size is 5 inches by 4 inches and the number of insertions does not exceed 3. These shall appear only in newspapers.

(f) Pamphlets. Provided that they are factual in nature and produced by trade associations may be distributed when they have first been approved by the board.

(g) Direct mail. Advertising, both brand and public service, directed by mail to individuals shall be forbidden except in the case of companies reporting to the shareholders.

(h) Trophies and prizes may be donated for *bona-fide* sporting events or cultural events provided that such events shall not bear the name of the company donating the trophy or prizes and are not being specifically sponsored by such company.

(i) Scholarships. Donating of scholarships and bursary prizes shall be permitted.

Other matters. Because of the complexity of the problem the code cannot be all-embracing, the board will from time to time make its rulings on other matters when they arise.

Mr. Speaker, I believe that we have received fairly universal acceptance of this code.

I have correspondence here that goes back into 1955 when we first dealt with this problem. We have taken our time. We have produced a book of briefs from over 30 organizations, and I could read hon. members excerpts from this brief which they can read into our code.

The reason I say, Mr. Speaker, why we have had such universal acceptance is because people and folks and organizations and groups have had a say in the matter.

Now, I will just finish on the advertising with the matter of the advertising on border stations, on television and radio. As of January 1, the Ontario brewing companies had agreed to bring their advertising commercials in line to a great extent with that which is allowed or which is being permitted on Ontario television and radio.

That is to say—and I think hon. members will agree—that there has disappeared from

those advertisements the glasses and the pouring of beer with the exception, and quite properly, I must agree, of the one company which is an American company, which produces a beer in the United States. They are an American affiliate of an Ontario brewery, which has agreed to only advertise one of its brands on the American television over the border stations. They are showing the bottle, which is the American bottle with the American label and stating that it is brewed in the United States, with no reference whatsoever to it being Canadian or Ontario.

This is the policy on the border stations. We have agreed to review this policy in September of this year to see how we are progressing in this regard.

Mr. Singer: The hon. commissioner said he would permit a question when he finished this page.

Mr. Collings: Yes.

Mr. Singer: There are two or three questions I would like to ask, and the first one is this: Why, in view of all the debating on this liquor advertising last year in this House, when it was decided to change the policy, was the policy change not announced to the House?

Mr. Collings: Mr. Speaker, all I can say to my hon. friend is that we were still working on the code. Hon. members will realize that this did not come overnight, and that our press release was not until May 31, and I had conferences right up until the last day or two before the announcement in that press release.

So I think, Mr. Speaker, that last year I mentioned here in the House that this was still in course of discussion, and as soon as we had adopted the code the policy was announced.

Mr. Singer: Mr. Speaker, the hon. member said, during the course of reading some of the extracts from the first announcement of May 31, that the announcement of the code would be set out in regulations, and then he proceeded to read the code. Is it true that there are no regulations proclaiming the code?

Mr. Collings: Mr. Speaker, I am sorry if the hon. member takes that as regulations under any other Act; this did not mean that at all. These are the regulations that the board would set up, because the Act says the advertising shall be that which the board allows.

Mr. Singer: Mr. Speaker, is it not normal that when the government, or a department of government, or a government agency, is laying down policies, it does so either in a statute or in a regulation? Why was it not done in this case?

Mr. Collings: Mr. Speaker, I am just saying that this is not a code under a regulation that ordinarily would be under an Act of the Legislature.

Mr. Troy: Who drew up the code?

Mr. Collings: Who drew up the code?

Mr. Troy: Yes.

Mr. Collings: Well, I will take the responsibility for the drawing of the code.

Mr. Reaume: Well, I want to say that I think the whole thing is crazy.

Mr. Collings: All right, then; the hon. member might say that.

Mr. Reaume: I have never heard of such a crazy way of drawing a code.

Mr. Collings: Mr. Speaker, I must hurry along. A year ago, I presented to the House the building programme of the board and I would just like to review that, sir. At that time I presented a building programme covering an amount of \$1,475,000. Now, it appears, that we will have spent, if our estimates on the payment on contract and on buildings under construction are accurate, between February 1 and March 31, some \$733,737 of the \$1.4 million, about half of the amount that the board asked for a year ago.

In saying that, Mr. Speaker, there will be an allowance of roughly \$490,000 still outstanding on the contract still on those buildings which are under construction.

Now, the board proposes to replace stores at Fort Frances, Port Arthur, St. Thomas, Belleville, Stratford, one at the east end of Toronto. We propose new stores at Listowel, Petawawa, Orangeville, St. Marys and Toronto west end. This would amount to approximately \$1.54 million. To this amount we must add the outstanding amount on the contracts which are now let, amounting to \$490,000 or a total expenditure of \$2,030,263.

I will table this report at this time.

Mr. Singer: Is the hon. commissioner going to show those stores after they are finished as having a value of \$1 each?

Mr. Collings: Mr. Speaker, as well as the building programme outlined, I would say

that the board is giving consideration to outlets at the following places. Whether we will get to them this year in new building or whether they shall be rental contracts has not been determined. But these are the ones which are under actual consideration: Arthur, Tobermory, Chesley, Emo, Ignace, Waterford, Milverton, Mitchell, Cooksville, Cardinal, Ashton and Mount Forest.

During the past year, as well as the new stores under the ownership of the board, we have entered into rental agreements in Massey, Sault Narrows with a summer store, Manitouwadge, Coldwater, Hanover, Lucan, Bolton, Creemore, Cedarbrae, Omemee, Elk Lake, Zurich, Seaforth, White River, Clinton, North Park plaza, Tobermory, which will be a summer store.

Mr. Troy: Did the hon. member consider the town of Noelville? It is in a very well-known tourist area in the riding of Nipissing—I know the chamber of commerce and other agencies in the community have pressed him for a store there, at least—

Mr. Collings: I am sorry, I did not hear the name.

Mr. Troy: Noelville. It is in the district of Nipissing.

Mr. Collings: I am sure that is on the list of applications. I hope the hon. member will realize that this poses quite a problem, to the board, of location. Surely he must admit that we are giving consideration to this very complex problem.

Let me point it out this way: If we put a store in this town, unfortunately the folks and merchants from the town adjoining think all their folks are going over there and buying their groceries and such when they make their purchases of our product. As I say, this presents a problem.

The board is carrying on discussions with the Brewers' Warehousing Company Limited in an effort to resolve these problems as to the best method in which we can give service to the people of this province. That is exactly what we should be doing.

There is nothing political about this business; it is that we must give service. I think that is the main thing; we must give service.

And with those few remarks, Mr. Speaker, I do want to express my appreciation of how attentive the hon. members have been in this matter.

Mr. Troy: Mr. Speaker, there is one more question I would like to ask the hon. com-

missioner, in regard to the monopoly the brewers' warehouses have on the selling of their products in the packages.

Has the commission given serious consideration to the question of permitting the hotels to sell beer in packages, half-a-dozen lots or dozen lots, rather than in grocery stores as some have suggested?

I am not talking about room service, but a change in regulations so that a person can go into a hotel instead of having to go to the brewers' warehouse. Why can they not go to a hotel and get it?

Mr. Collings: Mr. Speaker, the hon. member is speaking about what we call "off-premise sale." This has been experimented with in one province that I know of—but in Ontario we have not adopted this.

As I just mentioned a moment ago, the board has been carrying on discussions with the Brewers' Warehousing Company Limited. We have not come to any conclusion but, as I say, this does present a problem, especially for areas where there are small villages or small towns and where it might be 25, 30 or 50 miles to the town where there might be an outlet.

I can assure the hon. member that it is receiving consideration—not necessarily the off-premise—but along with the problem that is presented to us.

Mr. F. Guindon (Glengarry): Mr. Speaker, it is a pleasure indeed to take part in this debate and to congratulate you, sir, for your impartiality and fairness in conducting the affairs of this Legislature. It is an added pleasure to congratulate the hon. mover of the motion in reply to the speech from the Throne, the hon. member for Lanark (Mr. Gomme) on his most excellent job. I wish to extend my congratulations also to the hon. seconder of the motion, the newly elected hon. member for Simcoe Centre (Mr. Evans), who spoke like a veteran in this House.

Since the last session, 3 distinguished hon. members have been elevated to the Cabinet. The appointment of the hon. member for York West (Mr. Rowntree), as Minister of Transport, was no surprise to any one of us. In the past he has chaired many select committees with both dignity and wisdom.

In reference to the hon. member for St. Andrew riding (Mr. Grossman) we are all aware that he advanced from the ranks of the Toronto council, and he is to be highly congratulated in that, on Friday, January 27, he was presented with a gift from the Canadian ethnic press club, a group for whom he has fought long and hard.

Last but not least, I should like to congratulate the hon. member for Middlesex North (Mr. Stewart) on his appointment as Minister without Portfolio, a highly regarded Minister who will do justice to his position. As a matter of personal interest, I mention that he and I had the honour of being elected on the same day, September 5, 1957.

This is the first opportunity I have had to offer my personal congratulations to the hon. leader of the Opposition (Mr. Wintermeyer) and to his party for having chosen him as their leader. May I hope that any rumours of dissensions are not well founded. Although of different political faith, I am proud as a member of the government to pay sincere respects to this hon. gentleman and to his fine constituents in the Kitchener area.

In turn, I would expect that the hon. followers of his ideals will afford the same merited respect to the hon. leader of our party, the Prime Minister (Mr. Frost). May I remind the hon. members opposite that in two byelections in Simcoe Centre and Timiskaming constituencies it was obvious the hon. Prime Minister of Ontario is held in highest esteem and respect.

To my hon. friends of the CCF group, I would this day express the wish that with their change of name they would also revert to a change, a change founded on the British principle of dignity, in the conduct of the affairs of our province. It has hurt, Mr. Speaker, not only this House but also the citizens of Ontario to find magistrates, judges and indeed, hon. members of this House discussed in such vitriolic terms.

It is my strong opinion that the dignity of this House should be beyond reproach at all times, so that future generations will be proud of their heritage.

As the hon. members know, I have the honour to represent a rural area in eastern Ontario, the historic riding of Glengarry. Of paramount importance to us is the production of milk and the processing of cheese. We are vitally interested in disposing of our cheese and, naturally, we have to depend to a large extent on foreign markets to sell this commodity.

I must commend and congratulate the hon. Minister of Agriculture (Mr. Goodfellow) for leading a mission to the United Kingdom last summer with a view of exploring every possible market.

As a result of his efforts, a special markets development branch was established and a commissioner of marketing was duly appointed to care for the farmers' interests in the United Kingdom.

Incidentally, I want to praise the hon. Minister for his quick action and good judgment in the payment of \$22,000 for the shipment of cheese which unfortunately did not measure up to our high standards.

Of special significance to our Glengarry farmers is the fact that our junior farmers' loan board is no longer existent. In my humble opinion, a second glance should be taken, and a study made to make available loans on a 100-acre farm. This I believe is most important to our rural people who cannot qualify for loans under the present requirements of the farm credit corporation.

May I direct to the attention of the hon. Minister of Health (Mr. Dymond) that plans are being made to arrange funds for the construction of a 25-bed hospital at Alexandria? I would ask the hon. Minister to render every possible co-operation and assistance in this project.

At this time I must commend the hon. Minister for the fine Ontario hospital school located at Smiths Falls. Unfortunately, the demand is greater than the facilities available, and I would strongly recommend that a similar institution be constructed further east in the province, and thus made more accessible to those people requiring treatment in that area.

If due consideration might be given to this recommendation, I would suggest an effort should be made to provide sufficient office and technical help with a knowledge of both our major languages to thus enable the patient and his concerned relatives to communicate easily.

Many people with mentally defective persons as members of their families are not taking advantage of our specialized services because of the language barrier. Bilingual staff employed in a centrally located Ontario hospital could greatly alleviate this problem, and also provide facilities for children who must wait a long period of time before admittance.

Many efforts have been made to publicize eastern Ontario as the playground it is fast becoming. In this regard, I must mention the Ontario-St. Lawrence development commission, the hon. Minister of Commerce and Development (Mr. Nickle), and the hon. member for Leeds (Mr. Auld).

When Upper Canada village and this great parkway are officially opened next summer, the area I represent will be host to the many tourists visiting this area from the United States and from Quebec. We welcome each and every one of these travellers. As they

drive past our farms and our doors, they know something of our people and our problems.

Mr. Speaker, much has been said about unemployment. I should like for a moment or two to dwell on this matter with a very realistic approach. It is not my intention to play politics on this very serious question, because I feel the welfare of our citizens is far too important a topic to waste our time on futile discussions. I shall deal with this matter in a businesslike fashion, as one would do to correct an unhappy situation in his own business.

In the early part of the session reference was made to the high percentage of unemployment in the city of Cornwall, the city in which I live. I can assure the hon. members the figures quoted were correct and the need for assistance is genuine, but to place the responsibility of this situation squarely on the shoulders of this government, and to accuse us of lip service, is most incorrect and without foundation.

Our present position in Cornwall is due mainly to circumstances over which our government had no control. The main reasons are the following: The decision to send the seaway around the south shore of the International Rapids through United States territory—and this was not done by a Progressive-Conservative government—the completion of the seaway and hydro power projects which, at one time, employed as many as 5,000 employees; and most important of all, the closing of Canadian Cottons Limited because of its inability to compete with imported textile products.

Those are the 3 main factors of unemployment in Cornwall.

The progress our people desire will not be achieved by solutions based on destructive criticism. We know that solutions cannot emerge by government alone, but also by the joint participation of the community. At this time I cannot help but commend the heroic efforts of the many public-spirited citizens of our city for taking in their own hands the tremendous task of correcting this deplorable situation. Many private enterprises are overstaffed to keep the number of unemployed as low as possible.

A unique community-owned company known as Cornwall Industrial Developments Limited has been established to induce industries, large and small, to our area. Our city council, our board of trade, our local service clubs, are working in close co-operation to win our fight against unemployment.

May I say to the hon. members that, in the light of what is happening in Cornwall, no government—surely not this government—will refuse to give every possible assistance to further the economic conditions of our city, and I would urge the government to give us priority in moving rapidly to aid our citizens in the Cornwall district.

Last November the hon. Minister of Commerce and Development convened a two-day Ontario industrial development conference at the Royal York hotel in Toronto. At this time leaders of business, industry, government and financial institutions attended and discussed the industrialization of all areas of this province.

We in eastern Ontario were pleased to see this happen at such a time. If I might say it to the hon. Minister, his conference was both timely and informative. Members of the trade and industrial branch of his department have conferred with federal trade and commerce personnel. Out of this, we hope, will come some solutions to our difficult problem.

We in Cornwall feel and hope that shortly our pilot training school can be replaced with expanded technical facilities in order to train our young men and women. Specific knowledge of skills can help many of our unemployed people to start new and better lives for themselves.

Hon. L. M. Frost (Prime Minister): Might I suggest to the hon. member, it being 1 o'clock, that he move the adjournment of the debate?

Mr. Guindon moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, may I remind the hon. members that on Monday we meet at 2 o'clock in the afternoon, and that the estimates of The Department of Travel and Publicity are to be considered, also items that may be on the order paper and possibly the Throne debate.

On Tuesday, sir, we have the estimates of The Department of Agriculture, which I would gather would be comparatively short, and then we could go ahead with Throne debate.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1.00 of the clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Monday, February 13, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 13, 1961

2 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as our guests, in the east gallery students from the Holy Rosary school, Toronto, and in the Speaker's gallery the ladies' Progressive-Conservative association of Ajax.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE SCHOOLS ADMINISTRATION ACT

Hon. J. P. Robarts moves first reading of bill intituled, "An Act to amend The Schools Administration Act."

Motion agreed to; first reading of the bill.

Mr. J. J. Wintermeyer (Leader of the Opposition): **Mr. Speaker**, would the hon. Minister make some brief explanation?

Hon. J. P. Robarts (Minister of Education): **Mr. Speaker**, there are several amendments to the Act embodied in this bill; and it will be referred to the committee on education; but I shall review them briefly here.

The first section provides as follows: At present a child who is 14 years of age may, under certain circumstances, be excused from attending school because his services are required on the farm. This amendment provides that if he attains 14 years of age during the school term, he may not be excused until the end of the school term.

The second section provides as follows: At present a board of education may appoint a psychiatrist or a psychologist. The amendment will permit all school boards to make such an appointment if they so wish.

At the present time there is a limitation

of \$2,500 on retirement allowances for non-teaching employees of school boards. This section will remove this limitation and bring the Act into line with The Municipal Act which covers all other municipal employees.

At the present time, under section 95 of The Schools Administration Act, the teacher, trustee, inspector who writes a textbook to be used in any school in Ontario is liable to be disqualified and is subject to a fine. This amendment provides that where such person receives the fee or royalties on the book he is not subject to disqualification or fine.

THE GAME AND FISHERIES ACT

Hon. J. W. Spooner moves first reading of bill intituled, "An Act to amend The Game and Fisheries Act."

Motion agreed to; first reading of the bill.

He said: The important sections of this bill deal with the provision against dealing in deer and moose meat. The section is reworded for clarification.

Section 3 of the bill will make bear a game animal. Section 4 of the bill provides for an amendment to the Act similar to that which exists with deer hunting; and that is that where two or more persons who hold licences to hunt moose are hunting as a party, any member of the party may take or kill the number of moose that is equal to the number of licences held by members of the party.

Section 5 of the bill prohibits taking certain game by snares or traps, and this is extended to bear and caribou. The bill also provides an amendment substituting the Minister of Lands and Forests for the Lieutenant-Governor in council as the authority to establish fish sanctuaries.

The amendment in section 8 of the bill provides authority to sell, under licence, speckled trout, brown trout and rainbow trout for human consumption. This will mean, **Mr. Speaker**, the establishment of trout farms for resale of the production.

Section 10 of the bill provides for an amendment that a person may be apprehended or brought before any justice of the

peace. At the present time the Act stipulates that the person apprehended must be brought to the nearest justice of the peace; and section 11 of the bill will provide for the making of regulations approved by the Lieutenant-Governor in council, providing open seasons for bear and governing the sale and traffic in game fish.

THE PUBLIC LANDS ACT

Hon. Mr. Spooner moves first reading of bill intituled, "An Act to amend The Public Lands Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, subsection (1) of this bill provides that the sale of public lands for agricultural purposes will no longer be dealt with under the regulations but will come under a new section 43(b) to be added to The Public Lands Act.

Subsection (2) is a new provision authorizing the subsequent sale of lands offered for sale by tender or auction and not disposed of. Sometimes the department will advertise land for sale by tender or by auction, and it is not disposed of. This then would permit the department to dispose of these lands at a later date without having another auction or calling for other tenders.

A new section is added to the Act designed to prevent the unauthorized filling in of water lots and the littering of public lands.

Section 27(b) will authorize the erection of signs on public lands and create an offence for unauthorized occupation and parking on public lands on which signs have been erected.

Another new section to the Act will be known as section 43A, and will provide authority for the department to enter into agreements with municipalities for the management of public beaches.

Section 43B of the Act in this amendment will provide for a committee to study areas of public lands suitable for agricultural purposes, recommend measures for development of such areas, review applications and recommend sales, and so on, to the Minister of Lands and Forests.

Another new section, 43C, will provide the authority for the acquisition of lands for the programmes of The Department of Lands Forests in its many fields of activity.

Mr. L. Troy (Nipissing): Mr. Speaker, before the orders of the day may I ask a couple of questions? The first one is directed to the hon. Minister of Reform

Institutions (Mr. Wardrope). He has already been informed of this question.

On July 3, 1960, the hon. Minister of Mines (Mr. Maloney), speaking in Elliot Lake, stated that two investigators would be in the area within two weeks to select a site for a reform institution.

You will recall, Mr. Speaker, that almost a year has passed now since the town of Elliot Lake was promised this institution, among other things. I want to ask the hon. Minister of Reform Institutions whether a site has yet been selected? If so, when will construction begin?

Hon. G. C. Wardrope (Minister of Reform Institutions): Mr. Speaker, I want to thank the hon. member for Nipissing for the question, and I would like to assure him that our studies have been under very intensive, active investigation for some time, and I am very hopeful that we will be able to give him a full answer very, very shortly on that whole situation.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. The annual report for the hon. Minister of Agriculture (Mr. Goodfellow) for the year ending March 31, 1960.

2. The report of the statistics branch, Department of Agriculture, Ontario, for the year 1959.

Mr. Troy: Mr. Speaker, I have a question to direct to the hon. Attorney-General (Mr. Roberts). Notice has been given to him of this question. Since the completion last summer of the department survey of sites for a new Ontario police college, which included quite a number of sites in northern Ontario, has any decision been reached about the location of this college?

Hon. A. K. Roberts (Attorney-General): The answer is "no."

Mr. Troy: Thank you. I notice the hon. Attorney-General mentioned something about this in Brantford—I think the fluoridated water up there must have caused him to make some strange statements.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, before the orders of the day, I beg to table—and it will be distributed among the hon. members immediately—a summary report of the Ontario committee on portable pensions, dated February 10, addressed to me by Professor MacGregor and Mr. Gathercole,

joint chairmen. The letter of submission reads:

The special committee on portable pensions—consisting of Professor R. M. Clarke; R. E. G. Davis, president of the Canadian welfare council; G. Gathercole; Professor C. E. Hendry; D. C. MacGregor; and J. A. Tuck—takes pleasure in submitting a summary report of its findings and recommendations. A background paper and a number of appendices which deal with this subject in a more comprehensive detailed way will be submitted shortly.

I assume on Wednesday—

During the course of its studies, the committee received representations from a large number of individuals and organizations connected with the administration of pensions and interested in the provision of adequate pension benefits. A list of those who have made submissions may be found attached to this report.

Despite the intensive work of the committee, the attached report should not in any sense be construed as exhaustive or the final word of what is admittedly a very complicated subject, rather it represents a crystallization of the findings, calculations and recommendations of the committee at this date.

And then the committee expresses thanks to a number of persons and actuarial consultants who made submissions to the committee.

The House committee will meet in committee room No. 1 at 10 o'clock on Wednesday, and there these gentlemen will be present to give the fullest of information to a committee of this House, which has been agreed should be all of the hon. members interested. The committee meeting will be under the chairmanship of the hon. member for Muskoka (Mr. Boyer).

Sir, I table these reports, but they will be placed on the desk of each hon. member.

Mr. H. C. Nixon (Brant): A nice leather folder again, I trust?

Hon. Mr. Frost: No, this is—

Mr. Nixon: Those were very popular.

Hon. Mr. Frost: Well, I hope they were used for the purpose for which they were given. They contain the memoranda in relation to this very important subject.

Tomorrow, sir, there is a night session and we will consider among other things the estimates of The Department of Agriculture.

THIRD READINGS

The following bills were given third reading, upon motions.

Bill No. Pr2, An Act respecting the city of Niagara Falls and the township of Stamford.

Bill No. Pr5, An Act respecting the city of Peterborough.

Bill No. Pr14, An Act respecting the town of Arnprior.

Bill No. Pr20, An Act to establish Reuben Edwin Cleghorn foundation.

Bill No. Pr21, An Act to incorporate Renfrew Victoria hospital.

Bill No. Pr29, An Act respecting the town of Leaside.

Bill No. Pr33, An Act to incorporate the Capuchin Fathers of Ontario.

Bill No. Pr35, An Act respecting the city of Peterborough.

Bill No. Pr36, An Act respecting the city of Chatham.

Bill No. Pr40, An Act respecting the Young Women's Christian Association of Canada.

Bill No. Pr42, An Act respecting Université d'Ottawa.

Bill No. 37, An Act to amend The Corporations Act.

Bill No. 38, An Act to amend The Marriage Act.

Bill No. 40, An Act to amend The Alcoholism and Research Foundation Act, 1949.

COMMUNITY HOSPITALS

Hon. M. B. Dymond moves second reading of Bill No. 51, "An Act to provide community hospitals for the care and treatment of persons suffering from emotional or psychiatric disorders."

Motion agreed to; second reading of the bill.

THE JUVENILE AND FAMILY COURTS ACT

Hon. A. K. Roberts moves second reading of Bill No. 55, "An Act to amend The Juvenile and Family Courts Act," and that same be sent to the legal bills committee.

Motion agreed to; second reading of the bill.

THE MAGISTRATES ACT

Hon. Mr. Roberts moves second reading of Bill No. 56, "An Act to amend The Magistrates Act," and that same be sent to the legal bills committee.

Motion agreed to; second reading of the bill.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF TRAVEL AND PUBLICITY

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Chairman, before asking for consideration of the estimates of The Department of Travel and Publicity, I would like to take a few moments to report on some of last year's work, the aims and ambitions of this department for the coming year of 1961, as well as to make some general observations on the changing trends in the travel industry of the 1960s in relation to the economy of this province of Ontario as a whole.

Early in the year of 1960, in fact just when we, as a result of a great increase in inquiries, were looking forward to one of our best years, the announcement of a discount on United States silver as well as paper money, followed by a slow start in the early part of the summer due to backward weather, gave us a great deal of concern.

May I say, Mr. Chairman, that while the discount on United States silver did cause some headaches, and the poor weather early in the summer slowed down the start of the vacation season, I am happy to say that our fears were unfounded because indications are that the estimated increase of vacationers to this province, over last year, was from 5 per cent to 8 per cent, plus the fact that again we enjoyed over 60 per cent of the total volume of vacationers coming into Canada.

You will of course, Mr. Chairman, realize these figures do not include the thousands who come in from our sister provinces or the many who come up from New York state through Quebec and on to Ontario.

Mr. Chairman, I do want to pay tribute and commend the entire staff of The Department of Travel and Publicity for its loyalty, co-operation and very fine work over the past year. However, in making the above statement, I do not for one moment want to impress you or the hon. members of this

House with any thought that this department feels the total credit should be ours. Rather, let me say we are very much aware of the fact that all of those who realize the importance of the travel industry have been, and are, very large contributors to the development and growth of the travel business in this province.

While The Department of Travel and Publicity must accept its responsibilities, we are grateful and indebted, in particular, for the splendid effort and wholehearted co-operation of our hon. Prime Minister (Mr. Frost), my colleagues, the hon. Ministers of the other departments, and every hon. member of this House, as well as our appointed civil servants of this government, from the Deputy Ministers throughout each department.

Added to these are the members of our press, who through the press, radio and TV are continually giving tremendous support and encouragement.

Then on out through the province we have our important tourist associations, chambers of commerce, boards of trade and many other associations, as well as individuals, all working in a united effort, making it possible for me, as the responsible Minister, to stand here today and say very proudly that the travel industry—of such great importance to every individual and to the economy of this province—is not standing still, but rather is making real progress in spite of very stiff competition from every quarter.

Not so long ago the motor car was the main means of transportation and, in fact, still is. However, the trend in seeking vacationers is much more competitive due to a tremendous advertising programme by airline carriers and travel agencies who promote tours to all parts of the world, sometimes on a "go now and pay later" basis. From all reports, many people are taking advantage of this and seeing a large part of the world. To counteract, in part, this phase of the trend, we believe we are alerting our own people within Ontario, by our "know Ontario better" theme in our advertising in Ontario as well as through national magazines throughout Canada, to vacation right here at home. Resort operators have reported that more and more of our own people are spending their vacations right here in our own beautiful vacation areas.

As a matter of fact, in order to keep our programme effective, it is necessary to keep alert as to changing conditions; to what our competition is doing, and constantly to review our own methods so that they will not become stale or stereotyped. Over and

above the need of an effective programme to make our department meet the challenges of daily and yearly competition, we endeavour to encourage support by indirect methods that, while the department itself may not receive credit, do help very greatly to keep the industry strong.

As an example, in talks I have had with executives of industries, many have indicated their advertising theme will be to promote Ontario as a vacation province, rather than the direct advertisement to sell their products. They would hope by this method to increase demand for their products, and that ultimately they would get their fair share of this increase—in other words, their advertising expenditure would serve a dual purpose.

Another indirect effort is by means of arranging tours for freelance writers, editors, and photographers, to assist in obtaining material on Ontario for articles that often appear in some of the top magazines of the United States and Canada under the writer's name. Many such stories appear through the efforts of some of our staff, although there will be no mention of it.

Mr. Chairman, one of our main responsibilities is to advertise and publicize Ontario both abroad and at home. This we do by means of paid space in magazines, newspapers and radio. Our advertising programme for 1961 will commence in this month of February, with a presentation which we hope will continue to capture the interest of the readers.

We are also revamping some of the publications so that we will be in a better position to answer the ever-increasing number of specific inquiries and measure the value of our advertising and our publications. Our inquiries for 1960 were well ahead of those for the previous year—up some 24.2 per cent.

More noticeable, however, was the very large increase from United States citizens up from the 1959 figure of 143,967 to 167,083—an increase of 23,116. Total inquiries from all sources were up from the 1959 figure of 283,206 to 351,738—an increase of 68,532.

As hon. members know, we have 15 reception centres located at border crossing points to be of assistance to the visitor and also to help our own people—who use this service very extensively—to plan their vacations in the kind of area in which they are interested. The new reception centre known as the lakeland tourist reception centre, which I promised one year ago, is now under construction and I expect will be opened in May or early in June. It is located at the confluence of highway No. 400, highway No. 11

and highway No. 27 near Barrie, and will serve not only as a refresher course to those who have crossed at some border point and travelled 300, 400 or 500 miles into the heart of the province, but also the tens of thousands of visitors who attend conventions in the Toronto-Hamilton area, and then decide to extend their visit for a vacation period.

The lakeland centre is located to assist the traveller, regardless of his destination in this province. Our reception centres enjoyed a considerable increase of registrations of visitors—some 17,926 more at the end of 1960 than the previous year of 1959.

To supplement the written word and other publicity activities, we do not overlook the value of personal contact. For this reason we participate by way of providing exhibits in a number of sportsman and travel shows in the United States and in our own province. We expect to continue—in fact, to expand—this programme in this year of 1961.

The department plans to have Ontario exhibits in Chicago, Kansas City, New York, Cincinnati, Boston and Minneapolis. Our display will also appear at the Canadian national sportsmen's show, northwestern Ontario sportsmen's show at the Lakehead, and a number of other Ontario shows in different parts of the province.

Last year, for the first time, we endeavoured to co-operate more closely with certain areas by providing two of our field staff for a limited number of shows where we were not providing our own display. We feel this has merit and therefore we will again participate in this coming year in a similar manner. In fact, we are doing that at this moment.

We also provide personnel at the New York and Chicago office of the Canadian government travel bureau to give out specific information on Ontario.

Another matter of great importance is the extension of the vacation season, and with this in mind, we are following several plans that we feel have had some influence on the trend beyond the June-September peak season.

In the early spring the department promotes, by radio spot announcement, Blossom Week in the Niagara peninsula, as well as the tulip festival in May in Ottawa.

Our printed material and advertising stresses the early fishing season in mid April and May; fall hunting and winter sports. The display of fall colours is publicized by a spot radio programme in late September. It was my privilege to attend the closing of that great colour

cavalcade held in Huntsville last fall and I can tell hon. members it is a real drawing card. Everything in the way of accommodation was filled and they were turning people away.

Winter sports are becoming increasingly popular, and many communities are holding carnivals, with skiing, dog derbies, scooter races, ice fishing, snowshoe races, curling, and so on. As a result, many additional resorts are renovating and preparing to remain open all winter. As a good example, the Muskoka Sands, recently rebuilt, is designed for year-around operation.

Add to this the increasing number of resorts catering to convention business in the spring and fall, and hon. members can readily see that the Ontario tourist industry is now moving towards a full 12-months operation.

There are several new features that should benefit the travel industry in 1961.

The trans-Canada highway is now open from Quebec to Manitoba, and the Lake Superior circle route will be a big attraction. As feeder roads from the trans-Canada highway, a huge grid system will provide access for vacationers into other areas, thus providing northern Ontario with the finest roads and outlets for its rich storehouse of natural resources.

The Lake Superior circle route, of course, has great scenic values and circles the largest body of fresh water in the world. The region is a sportsman's paradise filled with forests, lakes, fish and game, and we believe it will attract thousands of new vacationers.

Still another feature this year will be the Upper Canada village near Morrisburg. Here the St. Lawrence parks development commission is finishing work on the village that is expected to be officially opened on June 24 of this year.

In the Niagara area, many new public works involving expenditures in the millions are proceeding. A new hotel is planned; a new global tower for viewing the falls is to be constructed.

The race for the Harmsworth trophy is to be held again in Picton in mid-August, and the trophy is to be defended once again by *Miss Supertest III* which so successfully defended it last August.

During the current fiscal year, 4 new films have been produced and these are either ready for release or will soon be ready. "Skier's Choice" was completed last winter and is now available for viewing. The others are about the historic Huronia area, beautiful

Muskoka and the fall colours in Haliburton and are in the process of final preparation and should be available shortly.

The Canadian government travel bureau and the national film board have established that the average travel film costs approximately \$12,000 to produce. With the staff that we have in The Department of Travel and Publicity, with their technical knowledge, we stay well below this figure. For example, "Skier's Choice"—approximately 20 minutes long—and the fall colour film—about 10 minutes long in full colour—came to a total cost of \$8,900.

We are able to effect this economy through greater efforts of our photography staff in assisting the producers.

That quality was not sacrificed in either case was demonstrated by the fact that immediately following the screening of "Skier's Choice," by the Canadian government film evaluation committee, the federal government placed an order with us for 25 prints and requested our department to do the same. This has been done and the film is now enjoying extensive distribution.

Our plan is to produce at least two films annually, to replace those outdated—possibly one on Lake of the Woods area, and another on Lakehead—north shore—Lake Superior area this year. It would seem to be appropriate to have a film on the great beauties of the trans-Canada highway around the north shore of Lake Superior.

The department is responsible for the inspection and licensing of all tourist accommodation within the province, with the exception of those hotels which are under the authority of the liquor licence board.

This is a large undertaking, and involves between 7,000 and 8,000 tourist establishments annually, and is combined with the extremely valuable service, which our trained inspectors are able to provide, in which they act as advisors to tourist operators on all phases of construction and operation. We feel this has contributed in great measure to many of the considerable improvements which have been effected over the past few years.

New construction during 1960 included 53 new motels, plus 82 additions, providing a total of 1,112 new units; and 65 new cottages, plus 225 additions, providing a total of 478 new units: in fact, including all types of new tourist accommodation, 2,268 new units were added in 1960 and of course, as I said before, this figure does not include operations that have liquor licences. My officials estimate expenditures on these capital improvements

would be approximately \$8 million and they are adjacent to the resorts which would attract tourists to the area and hold them once they had arrived.

Mr. Chairman, another very important function in this part of our operation is the conducting of community surveys to determine the value of the industry to any particular municipality, and also the needs and requirements of the tourists. To date, 6 such surveys have been conducted, and hon. members may recall that last year I gave them some of the highlights of the one done in Bracebridge.

To give some indication once again of what the tourist industry can mean to a community, I will give some of the statistics obtained from the survey held in Kenora, which was carried out in co-operation with the town officials, business people, chamber of commerce, and tourist organizations.

The survey was carried out during the week of July 18 to July 23, inclusive, and during that period 19,035 cars entered Kenora, which was an increase of 118.3 per cent over a count taken in the off season.

Using the accepted figures of 3.5 persons per car, this shows that tourism introduced 36,095 people to Kenora who would not ordinarily have visited the community.

It is interesting to note where these visitors came from: 46.4 per cent came from other provinces, 32.4 per cent came from the United States and other countries, with 21.2 per cent from our own province.

The survey points up that vacationing today is a family affair—56.8 per cent of the visitors were travelling with their children, and of those parties 72.3 per cent had two or more children. Also, all of these visitors were spending money in the area. In fact, in almost all instances visitor spending was substantially larger than local spending.

To give some examples: nonresidents accounted for 60.7 per cent of the spending in clothing stores; 62.9 per cent in drug-stores; 82.7 per cent in restaurants; 83.8 per cent in jewellery stores; 57.8 per cent in gas stations.

It is interesting to note what this means in dollars and cents to a community. The results show that approximately \$93,470 of total sales during the tourist week were made by tourists. If this is projected over a tourist season of 10 weeks, almost \$1 million was spent in Kenora for day-to-day purchases, and this does not include major purchases for such things as lumber, refrigerators, boats, and so on.

This figure of \$1 million is equal to the annual payroll of an industry employing 250 people over a 12-month period. Or, considering it in another light, this amount of money, divided among the permanent residents of Kenora, would mean \$95.25 for every man, woman and child.

Any industry that can produce or earn an income of \$1 million over a 10-week period, I think hon. members will agree, has to be considered as a major fact in the economy of any area, and in the economy of the province.

Last year the annual United States editors' tour entered at Fort Frances and Kenora district, travelled from west to east, covering a greater part of the province than at any other time. The 30 United States editors who take part in this tour are from 30 different states, and give a tremendous amount of publicity to Ontario through newspaper media and continue to do this long after the tour is completed.

It is my intention—in fact, I brought a proof booklet over with me that is not ready for distribution yet—to place one of these on the desk of every hon. member before the session ends, to give them some idea of the kind of publicity we received as a result of the United States editors' tour.

It was my pleasure last fall to attend the annual meeting of the Mississippi river parkway planning commission, held in Memphis, Tennessee. There was a very large attendance of an enthusiastic group of members who are putting forth a great effort and with much success, in the extension of the great Mississippi highway, from New Orleans to our borders.

This is the parkway that it was my privilege to attend up at Kenora close to 6 years ago for the unveiling of the monument marking the junction of highways just outside of the town of Kenora.

As a result of a very active role played by this province, and in particular by our Canadian co-pilot, Mr. A. Sherrett of Kenora and my hon. colleague, the member for Rainy River (Mr. Noden), the annual meeting and convention for 1961 will be held in Fort Frances.

The Department of Travel and Publicity also takes an active part in a number of international, provincial and local tourist organizations; for instance, we are an active partner in the northern Great Lakes area council, composed of representatives of the states of Michigan, Minnesota, Wisconsin, and of this province, formed for the purpose of

promoting the Great Lakes area with particular emphasis on the tourist industry.

I might also mention, Mr. Chairman, that we have been doing considerable research in endeavouring to obtain detailed information on souvenir and handicraft products made in Ontario. The material obtained so far, on producers and retailers, is most impressive to say the least, and it is our intention to pursue this work to encourage a greater distribution through greater production.

Our programme of commemorating persons, places, events and structures of historical significance has been actively continued throughout the past year; 51 historical plaques were put up and officially unveiled during 1960, making a total of 228 since the programme was inaugurated.

I want again to say with emphasis how very much we—yes, the province of Ontario—are indebted to the same splendid advisory committee and its fine chairman, Mr. William Cranston, for their untiring efforts and great assistance in this important work.

I do think that we can be grateful and thankful that this same advisory committee that was appointed 4 or 5 years ago is still serving in the same capacity, and doing it with all the enthusiasm one could ask for.

The excellent attendance at unveiling ceremonies is an indication of how very much our people approve of this programme. We also appreciate the extensive coverage given by newspapers, radio and TV in each area, as well as the close co-operation of local associations in support of this work.

Hon. members of the House will recall our discussion on the historical plaques last year, and I would like to mention that the hon. leader of the Opposition (Mr. Wintermeyer) attended, I believe, one of the unveilings and my good hon. friend from Grey South (Mr. Oliver) attended the other one.

The two historical plaques that were asked for last year have been placed, honouring my old friend and colleague, Miss Agnes MacPhail and Rt. hon. William Lyon Mackenzie King.

I failed with respect to my own request. Hon. members will recall I suggested that I would like to have a plaque unveiled down in Sarnia commemorating the life of the second Prime Minister of Canada, Alexander Mackenzie, I believe the Treasurer of the province of Ontario and so on, and I went on at great length to play up the importance to Ontario. I wrote to Ottawa to find out how they would view such a plaque, and I received word back that they were in the throes of processing a plaque to

his memory and that they would appreciate it if there were no overlapping. They thought one plaque was enough for our friend, so I did not go ahead with it.

Alexander Mackenzie was a great fellow, he made quite a contribution back in those days, and today we have one part of Ontario that is indeed the garden of Eden. I was just back there over the weekend and I tell hon. members it is a great part of the province, there is no question about that—and great people.

Mr. D. C. MacDonald (York South): Salt of the earth from the constituency of the hon. Minister.

Hon. Mr. Cathcart: Thank you—my goodness, the “salt of the earth” coming from the hon. member over there! No double meaning there, I hope.

Mr. MacDonald: Every politician is the salt of the earth.

Hon. Mr. Cathcart: All right, thank you.

This province's museums constitute one of our most valuable assets, whether considered from the educational or tourist point of view. It has been estimated that more than 2.5 million visits were made to Ontario museums and art galleries in 1959. Marked progress was achieved during the past year—matching grants were paid to some 32 municipal museums and technical advice was available to all public museums, including the museum being presently established at Upper Canada village by the Ontario-St. Lawrence development commission. Although, because of their large numbers, our museums' adviser can spend only limited time on each, he has, in some instances—as at the Niagara historical society's museum—supervised an extensive rearrangement of their displays.

The Ontario archives has a most important role to fill, and I can assure hon. members their responsibilities are being carried out in an excellent and systematic manner, under the administration of Dr. Spragge.

Mr. A. J. Reaume (Essex North): Mr. Chairman, I wonder if I could ask a question?

Hon. Mr. Cathcart: Will the hon. member please sit down?

Mr. Reaume: I wonder if I could ask the hon. Minister a question, Mr. Chairman?

Hon. Mr. Cathcart: I do not know how many years the hon. member has been in the House—

Mr. Reaume: Just a moment now, I want to know if the hon. Minister will answer a question?

Several hon. members: No, no.

Mr. Reaume: Well, he can answer for himself.

An hon. member: What, on his estimates?

Hon. Mr. Cathcart: Will the hon. member please sit down, I would like to continue.

Mr. Reaume: I have asked the hon. Minister a question. Will he answer a question?

Hon. Mr. Cathcart: No.

Mr. Reaume: That is all right, that is all the hon. Minister had to say. Which one of the hon. Minister's publicity men wrote that?

Hon. Mr. Cathcart: Well, that is the kind of question I would expect from the hon. member.

Mr. Reaume: Answer the question, who wrote it?

Hon. Mr. Cathcart: I wrote it and the little queen—my wife—up in the gallery will swear to that. I wrote every word of it myself.

Mr. Reaume: We are not quite sure of that. Answer the question.

Hon. Mr. Cathcart: I did. I wrote it, and I have proof that I wrote it.

Mr. Reaume: Bring in the proof.

Hon. Mr. Cathcart: Much in the way of valuable historical material has been acquired, catalogued and preserved, as well as made available for research historians.

Mr. Chairman, I might point out under the theatres branch, that while the number of theatres has decreased, the work load has not declined greatly since the theatres are scattered all over the province, and the same vast area as before remains to be covered. In the same way, while the number of films and quantity of advertising has declined to some extent, the increase in the proportion of films in languages other than English, and the increase in the numbers of so-called adult themes, has resulted in little or no reduction in responsibilities.

Also, for the information of the House, I want to say that the film "Wonders of Ontario," produced by Columbia Pictures earlier last year, has been shown in over 250 theatres in over 35 cities of the United States. In addition, the short film "Greatest Show on Water" has been shown even a greater number of times. Both are receiving great coverage.

Mr. Chairman, I have given a report on the activities of my department for 1960 and some indication of our plans for 1961. However, there is one very important project which we will be undertaking in the forthcoming fiscal year which I have left to the last. I refer to the programme of matching grants to recognized regional tourist associations formed throughout the province.

In the past, the development and promotion that has taken part in this province has been carried on, in the main, through this department and individual tourist operators, with a few active tourist organizations making a valuable contribution. On the whole, however, there has been a serious gap between the government and the individual, which has made it difficult for a complete and thorough job to be done.

As I mentioned earlier, it has been shown conclusively that those areas which had a good tourist season were those which had attractions which could be properly promoted, and which were a drawing card to hold the tourist.

It is now our intention to aid and assist those areas so that they may develop and publicize attractions whether they are natural, historical, archaeological or man-made, as well as to assist them develop a more complete publicity programme.

This will be done through a system of matching grants, whereby the tourist organization will receive, up to a maximum, a sum of money equal to what they have spent for these purposes.

It is our sincere hope that this plan will bring about the formation of area tourist organizations which will fill the gap between the efforts of this government and the efforts of communities and individuals. By this means, we also hope that the business people of this province who profit so substantially from the tourist industry—in fact, who receive approximately 57 per cent of every tourist dollar—will come forward and take their place beside our tourist operators and play a leading role in an industry which they have long taken for granted, but now must recognize requires their active participation for their own continued financial success.

By this means and all the other various programmes, we hope to consolidate the position of our tourist industry. We also hope to impress on all of our people a desire to take an active interest in the promotion of travel by helping to make our province more attractive to our visitors and to our own people. We will continue to encourage and impress on our people that they should take a personal and active interest in the promotion of the area in which they live.

Mr. Chairman, if we want to build repeat business which is so important, if we want to hold our 60 per cent of the nation's tourist business—if we aim at expanding—we will only be successful when we have the wholehearted support and the well-organized efforts of all of our local areas and of all our local people.

Mr. Chairman, that pretty well sums up my report to the House at the moment, other than—while this is somewhat embarrassing to me, I feel it is of such great importance to the House and to the people—that I would like to read and place on the record a resolution passed by the associated tourist resorts of Ontario a few weeks ago at their convention held here in Toronto. I would ask to be allowed to put this on the record as it was written and presented to me. I quote:

WHEREAS the association of tourist resorts of Ontario has enjoyed a long, happy and jointly beneficial association with The Ontario Department of Travel and Publicity under a succession of able Ministers of that department and with a most co-operative and dedicated staff; and

WHEREAS this mutual confidence and co-operation has reached a stage where great benefits are accruing to the tourist industry of Ontario, and excellent results are being manifested because of this long and mutual effort; and

WHEREAS, in the past few months, the department, in close contact with the officers of this association, has initiated new and beneficial support of regional Ontario tourist bodies in regard to both finances and effort and new and important legislation of great merit is impending to put this support into effect;

THEREFORE be it resolved that the association of tourist resorts of Ontario, in annual convention, do hereby express our deep appreciation and extend our thanks to hon. Leslie Frost, Prime Minister of Ontario, to his Cabinet and particularly to hon. Bryan Cathcart, Minister of Travel Publicity therein, for this helpful co-

operation; and we express the hope that this may be continued and grow, to the even greater benefit of tourism in Ontario and we, the ATRO members, commend most highly the excellent work of this department in all its phases.

Signed by the president and secretary.

I attended the northern outfitters' convention at the Lakehead a few weeks ago and, as I was leaving on that last evening, I was called to the dais and presented with what they describe as the Order of Merit. I accepted the Order of Merit—hon. members will notice I did not say the Award of Merit; I said the Order of Merit—I accepted it and I have it in my own room. I am treasuring it, and watching over it in a very personal way, rather than passing it on to the department.

On vote 2201:

Mr. A. Wren (Kenora): Mr. Chairman, I am sure the hon. Minister and yourself and the House will be pleased to know that my voice will not allow me to talk very long. But I will make some remarks on the presentation of the estimates of The Department of Travel and Publicity by the hon. Minister today.

I was interested in his introductory remarks when he stated that the figures for 1960 over 1959 revealed a 4 per cent to 5 per cent increase in the number of tourists coming into Ontario. I notice that, in writing the address he gave today, he or his assistant forgot to mention that, according to all the trade journals in the country, the dollar value of tourist business in this province was down by about that amount in the same period.

That is the situation I am going to deal with briefly this afternoon, Mr. Chairman, because I think it is very important indeed.

When the hon. Minister talked about the travel tours all over the world being organized by airlines and other travel agencies, on go-now-pay-later and other schemes of one kind and another, I believe hon. members will recall that I had discussed this on other occasions in this House. Also I continue to view with alarm that our own Crown agencies in this country—not under the control of this government—are not of service to this country when our national airlines and our national railways, which come under the control of government, should be using their facilities and our facilities to encourage the spending of our money in countries other than Canada.

I would have no quarrel with the traveller or the citizen concerned if he is able to pay

in full for his or her travel facilities. But I do not think it is part and parcel of our government agencies to encourage the spending in other lands, and, I repeat, on the credit which is supported by our own government.

I was pleased to hear the hon. Minister say that included in this year's film programme would be a film of the Lake of the Woods area, among other things, and the Lake Superior route. He mentioned, in passing, what a wonderful thing it would be to show the rest of Canada and the world the beauties of the trans-Canada highway.

I think that is a laudable suggestion indeed. But since the hon. Minister of Highways (Mr. Cass) on more than one occasion has told us that the trans-Canada highway, as such, will not be completed by 1963, and the entire trans-Canada across Ontario might not be completed for many years after that date to trans-Canada standards, it would be a happy thought, indeed, if the hon. Minister of Travel and Publicity could convince the hon. colleague he so heartily congratulated this afternoon to get the highway he wishes to have filmed in a state of completion, or near completion, to trans-Canada standards soon.

I was interested, too, in his remarks on the community surveys conducted by the department, and I must say they have been very useful. I followed with particular interest the survey made in the town of Kenora, and the results which were revealed today and on other occasions following the conduct of the survey.

It has emphasized what we have said on this side on more than one occasion. From the figures the hon. Minister revealed this afternoon, it makes it abundantly clear that in a town like Kenora—and I am sure there are counterparts all across Ontario in towns of that size which cater to tourist people—67.6 per cent of the visitors came from Canada.

I am going to say a little more about that later. But I want to emphasize here that I feel that this government—and I feel, too, the officials in my own district, municipal officials and others—paid far too little attention to the value of the tourist visitor from other provinces and even from within our own province.

When a town like Kenora, as one example, a town of some 10,000 or 11,000 in population, could turn up \$1 million in tourist spending in one tourist season, and 67.6 per cent of that money comes from Canada, I think a good deal more attention needs to be paid to people in our own land.

In that connection I might say the visit of the United States editors is a good publicity scheme and one which, though it proves costly at times, I think brings some dividends to this country.

For example, last year the visit of the 30 editors cost us something like \$50,810—or \$1,693 per editor. I am not quarrelling too much with that expenditure. But I do suggest, Mr. Chairman, that we might well consider encouraging editors of some of the leading newspapers in Canada to visit this province, particularly those who interest themselves in tourist and travel matters.

The matter of historical sites and so on, I have always felt, is one of major importance in developing tourist attractions. Last year it was a source of great satisfaction to me that the department erected, in Kenora, a memorial plaque to the great hockey team of 1904, the Kenora Thistles, which in that day won the Stanley Cup. It was a great day for Kenora and following those years Kenora has always produced outstanding hockey players.

The hockey players of that day were indeed outstanding men, because I think it is the only community of its size in the world that has ever won the Stanley Cup; and it was getting to the point where some of the players on that team—or rather it was getting near the point where all of the players on that team—would soon have departed to another world. It was certainly a heart-warming event to have Mr. McGinsie, one of the original players, unveil the plaque at Kenora.

Unfortunately for us, it was such a heart-rending occasion for him that he was unable, through the rise of emotion in himself at the thoughts of his comrades, to give us a little address and recount some of the happenings which took place at the winning of that cup on that memorable occasion. It was indeed a happy event for Kenora.

I think the most important thing the hon. Minister said in his preliminary remarks was that he proposed this year to institute a system of matching grants up to a certain maximum for tourist associations which are concerned with publicizing particular zones or regions of the province. This is a matter which is long overdue, and one which has been promised from time to time. It is now coming into reality, we hope.

One of the rather alarming situations, Mr. Chairman, about Travel and Publicity estimates is simply this: That in a time of fierce competition in the period which we are in—and there is no doubt about it being a period

when competition is going to become very fierce indeed—it is unfortunate that we are spending so little. After the pronouncement from a man such as the President of the United States that they must, in that land, institute a crash programme for development of tourist—I forget his exact words, but tourist havens, and what-have-you—in the United States, we find this province of Ontario spending less money on publicity in 1962 than we spent two years ago in 1960. Yet Ontario has the greatest tourist industry potential of any of the provinces of Canada.

I think this is a very short-sighted approach to a very important industry. In fact, now is the time when more assistance and more concerted effort are needed to develop this important and sustaining industry.

I say that for a number of reasons. It is not only the fact that tourists spend a number of dollars when they come into Ontario. I have always thought that one of the important features of encouraging people to visit with us in Ontario, is not just merely to take their money while they are here, but to give them the opportunity to look about the province and, perhaps from their visit, encourage interest in industry and other activities within our boundaries.

I think that is of importance, and I know of certain instances where quite sizeable industries have developed from a person coming here in the first place just for a holiday and then becoming acquainted with the industrial possibilities of the province.

That is why I have suggested from time to time, not through any particular animosity toward any particular hon. Minister but for very practical reasons indeed, that The Department of Travel and Publicity should be a division of The Department of Commerce and Development. The tourist industry as such, the travel industry as such, and the vacation opportunities as such, are so inter-related with industrial activity in the province, and industrial potential, that I think they should be in the one department.

I would not be too concerned about which department both agencies of government operated under, but I do feel that there is an unnecessary duplication of services, and actual instances where the two departments are at cross-purposes, which does not do well for the development of the province generally.

For example, we have just completed a highway along the north shore of Lake Superior which, when the federal contribution to the project is included, totals the sum of

well over \$40 million. That in itself is a rather staggering amount of money in development of a new area.

But the sad aspect of the situation as it exists today is that, while we have spent over \$40 million developing this new route as part of the trans-Canada system, there is nothing in the way of industrial development or commercial development programming to follow the building of the highway.

In fact, that programming should have been done while the highway was under construction but, sad to relate, it has not been done.

And that brings me back to another problem which has been before this House a good many times, and I suppose it will be before this House and committees of this House many more times before any action is taken; I refer now to small loans for businesses in the travel industry.

This weekend I had occasion to be at the opening of a new industrial enterprise in the northwestern part of Ontario, and had the opportunity to talk to the bankers in the area who were present at this function. They tell me that the plan of small loans, as has been introduced by the government at Ottawa—which we thought would assist people in this particular industry and others associated with it—is not going to work because, first of all, the applicant for a loan to expand or modernize his business must qualify under all of the bank's credit risks. That does not seem too onerous at the outset but what it means is this, as it was explained to me:

If a man has a first mortgage already on his property, no matter how small, under banking regulations and credit restrictions of the chartered banks of Canada, they are not permitted to advance him any money under this proposed federal legislation because the bank must take in return, from that person, a first mortgage.

Now I am told this by the bankers themselves, and they supported that by memoranda from their own head offices, insisting that this practice be followed.

As a result, in one area of my own riding—

Hon. Mr. Cathcart: I hope it is not the case.

Mr. Wren: Well, I am just relating fact now. In one area of my riding, out of 19 applications of persons who were considered by the bank to be good risks, only one could be accepted under the terms of the federal legislation as it is now proposed. So I do seriously suggest that, if we are going to do

anything to utilize the vast expenditures of public money we are making on highways and other facilities of transport, we must indeed support it with legislation which is going to provide the capital which will enable people in tourist and allied pursuits to keep up with the pace of other industry.

That brings me to another point which has disturbed me on a number of occasions. And that is the attitude—in fact, the attitude of delight—that some hon. members seem to take in this House and in Ottawa in baiting the Americans. This is something that is rather strange to me, especially when we are talking about the tourist trade. First of all, of the foreign visitors who come to Ontario, the great majority of them come from the United States; that is where we have to seek foreign tourist business. Therefore, it is rather a strange approach to me to damn Americans, on one hand, and then spend money on billboards on the other hand to invite them into the country. I think a much more friendly attitude and approach could be taken.

The other aspect of this—the rather peculiar attitude—is this: that in the tourist trade itself, in northwestern Ontario—my hon. friend from Port Arthur (Mr. Wardrope) can verify this—the peculiar situation is this. Because of the absence of legislation which would have permitted people to borrow to modernize and expand existing tourist facilities in northwestern Ontario, the vast majority of the licensed camps and other allied services are now in the hands of American people. Our own people could not get the capital required to maintain themselves in the business, while American people, by the production of contracts, agreements or titles—whatever their particular bank required across the way—were able to borrow money in the United States to use in the purchase, expansion, working capital and so on in camps and services in northwestern Ontario.

It is a strange attitude, I repeat Mr. Chairman, when we say that our business and industry should be more under Canadian control, and yet we do nothing to promote the ownership and operation of commerce and industry in an area where the industry itself is so vital to Ontario and so important and basic to our future.

The only other matter I want to mention this afternoon, because I do not feel as if my voice will carry much longer, is to repeat what I have said on other occasions about this particular subject.

I recall that last year the hon. Prime Minister assured me across the floor of the

House that he was going to set up the licensing of one or two resorts in northern Ontario, and try out a system of liquor licensing for these places, to see how it would work. To my knowledge, not one single licence of this kind has been issued.

Hon. Mr. Cathcart: Yes, there has.

Mr. Wren: And I want to warn the House, Mr. Chairman, of this. That again, in the face of announced restrictions on American buying by tourists in Canada, and again following the announcement of the President of the United States that they were going to direct a concerted drive to encourage their own people to spend their holiday money in the United States, I seriously suggest that we must take the handcuffs off the wrists of our hotel and resort operators in Ontario. If we do not, our tourist trade, as such, is going to find itself in serious difficulties indeed.

I repeat what I said last year; we are certainly not suggesting on this side that liquor regulations be relaxed holus-bolus so that liquor can be found under any tree. But it is ridiculous, and it continues to be ridiculous, when first-class hotels, resorts, restaurants and the like in this province are not able to be licensed under the liquor control regulations.

The tourist, when he is coming to Canada, is no different from the Canadian when he visits any other part of the world. The majority of them, I suggest, Mr. Chairman, are interested in securing alcoholic beverages and securing them in a decent and honourable way.

Our Canadian people do the same thing when they go elsewhere, in the majority, and it is not doing our tourist trade any good, it is not doing the hotels and resort industry any good, to continue to deny these people sensible liquor licensing and regulations.

It continues to be ridiculous in the extreme when our first-class eating places, even where local option has been exercised—places where there is an investment sometimes of \$200,000 or \$300,000—because of the whim of some persons, either in local or provincial authority, are denied the right to serve these beverages with meals.

If any hon. members have noticed the advertising of the Manitoba liquor commission in which they encourage temperance, they repeat time and time again that the most desirable atmosphere for the consumption of alcoholic beverages is where food is served. Yet, in Ontario, we consistently deny this to the visiting public.

Therefore I repeat it is time, and the time is long past, that we take the handcuffs away from the wrists of hotel and resort operators in Ontario, and institute sensible liquor legislation for the visiting public.

Mr. MacDonald: Mr. Chairman, on the main office estimates there is just one point I would like to raise which is of an overall nature and, therefore, might more appropriately be discussed at this stage.

I am referring to the general publicity programme of the government. As I understand it, this programme might be broken down roughly into two categories. There is that part of the programme which is conducted by the department whose estimates are now before us—overall publicity such as putting out the *Ontario News* and similar publications as well as general advertising with regard to the tourist trade.

Hon. Mr. Cathcart: There is a director of publicity.

Mr. MacDonald: Right in the hon. Minister's department?

Hon. Mr. Cathcart: Oh, yes.

Mr. MacDonald: Then there is another phase of the government's publicity which comes under the various public relations divisions of each of the departments of government. The other day in some interjections, when this issue came before the House, the hon. Minister made the point that his department assists the various departments, I presume for the most part, at the technical level.

What I am curious about is the overall co-ordination; and particularly one phase of what seems to me to be a recent development which merits some rather careful examination. I refer to the proliferation of high-priced "slick" publications which I know, from my own personal experience in having been involved in publication, are very, very costly items. Just let me give one or two, and then I would like to ask the hon. Minister to what extent his department is involved and to what extent there is an overall policy.

For example, perhaps the longest standing one has been in The Department of Lands and Forests, a little magazine called *Sylva*. Now, to my mind there might be something of a case made for *Sylva* because it deals with conservation, and conservation is a legitimate topic for schools—assuming that *Sylva* is distributed in schools and is available for school children.

But it still seems to me that it is questionable as to whether it is the function of government to be putting out a magazine that is publishing—at the highest cost possible—the kind of information that *Sylva* deals with.

However, that is only the beginning of the story, because last year 3 more have been produced; at least I have 3 more to which I would like to refer. Just last week we received this farm accident survey. This is very fine; every assistance which is of concern to the people of this province—

Hon. Mr. Cathcart: The hon. member knows that we have not a thing to do with this publicity in any way.

Mr. MacDonald: Mr. Chairman, I am dealing with the overall publicity.

An hon. member has just said this is a nice piece of work. I agree it is a slick piece of work; as a matter of fact I suspect it might take a prize somewhere. But I do not know whether it is a function of government departments to get into the business of publications—even those which admittedly are of concern to the people of the province—in a fashion that they are going to be taking prizes at rotogravure shows or something of that nature.

Two or three months ago we had another example, and that was this publication, *The Road*.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, might I say to my hon. friend that *Sylva*, *The Road* and *Our Valley* are all discontinued.

Mr. MacDonald: Apparently, Mr. Chairman, I was dealing with a point which has far more validity than I realized.

Hon. Mr. Cathcart: If the hon. member wants to raise them, they might be raised with the particular department concerned.

Mr. MacDonald: I explained to the hon. Minister that I recognized there were two phases to the policy. I want to get down to the question of who is responsible for overall co-ordination, and I shall get down to that in just one minute.

Hon. Mr. Cathcart: The Department of Travel and Publicity is not.

Mr. MacDonald: The hon. Prime Minister says that these have all come to an end. I draw attention to this, Mr. Chairman, because to my mind this is the most shocking one of all. If there ever was a piece of extravaganza, here we have it. A person can almost comb

his hair by using this as a mirror, it is such a high gloss paper. It is put out blank on one side—I am almost tempted to say there is not much more on the other side than there is on this side—and what is it? It is a reproduction of the highlights of the Ontario industrial development conference, with a few paragraphs from a number of the—

Hon. Mr. Frost: May I say to my hon. friend and to this House, that I believe that, generally speaking, governments and business everywhere have a tendency to indulge in what would appear to be extravagances in the shape of the printing and pamphlets which are put out.

I admit that we live in a day and age where that is the style of thing to do, and when perhaps, in the light of the assessment of departments here by departments and states and provinces elsewhere—and it has become difficult to avoid doing what perhaps others do, and we have made a very careful assessment of that sort of thing—we have to stop somewhere.

As regards *Sylva*, I would say it is a very fine publication which has been going on now for a number of years, put out by The Department of Lands and Forests; I have no doubt that *Sylva* has been doing very useful work. On the other hand, in these days when dollars are difficult to get, this is perhaps one of the things we can do without.

My hon. friend has raised the point, but I may say we have considered those things and we propose to avoid them.

Mr. MacDonald: I appreciate the hon. Prime Minister's intervention—

Hon. Mr. Frost: Mr. Chairman, on the other hand I recognize the difficulties there are in this. Government nowadays is a very complicated business. My hon. friend knows it is a very complicated business, and it involves a great ramification of things about which people generally have little opportunity of knowing—what they can do, what their rates are, and what services there are available to them.

On the other hand, I will say this: that government publications—and when I say government I use the word in its broadest sense; government business, organization, is getting to be so great everywhere—cost a lot of money, and some time or other, some place or other, those things have to come to a stop because I think there is a tremendous waste in it.

I have no doubt there will be feelings on the part of many good people, who have

perhaps followed these publications such as *Sylva*—which I think has done a remarkably good job—that there is a loss in the terminating of the publication of that work. On the other hand, we must stop somewhere. There is the situation.

Mr. MacDonald: Mr. Chairman, I just want to come back to my basic question because, while the hon. Prime Minister has indicated the result of this policy, I am curious to know from where exactly it emanated.

I agree with the hon. Prime Minister; there is a problem here as to where one draws the line. I can quite understand how people, who have a certain pride in their product in promoting the work of a certain department, are faced with slick publications that they have to compete with in the private world; and there is a very understandable tendency to get into plusher and plusher productions. But I think the line has to be drawn, and on that point I stand foursquare with the hon. Prime Minister.

However, I am rather curious as to how this kind of problem is to be coped with in the future. I started out my comments—and thereby tried to allay the objections of the hon. Minister that it may have been in part dealing with topics beyond his department—I started out my comments by asking whose responsibility it is to take the overall view of this kind of thing. It seems to me there is some place—and perhaps the place is the Cabinet, or perhaps it is in The Department of Travel and Publicity—which would be in the best position to have an overall look at the publicity.

Where is this kind of decision made, as well as the day-by-day consideration or implementation of it, to avoid the repetition of this kind of publication in the future? I assume it is not in the hon. Minister's department. Can the hon. Minister inform me as to whether it is in the Cabinet, or did the hon. Prime Minister just deliver an edict on the banks of Killaloe?

Hon. Mr. Cathcart: I think it is the responsibility of the department itself. I know that they do not contact me beforehand. They may be in touch with our director of publicity for some information, but we have no responsibility, or any part to play, in the production of the particular brochure.

Mr. Reaume: Mr. Chairman, I want to say a word on the estimates. I think it was back in 1958 that we met in room No. 3 with a large group of people from various

parts of the province who were seeking small loans in order that they might improve their buildings.

After the presentation of a long brief, I can remember quite clearly one of those smooth, suave speeches by the hon. Minister, who said, "Now, just leave this matter with me and I will arrange it with Mr. Frost." He did not mention anything about the Cabinet.

And so 1958 has now passed, 1959 has gone by, and 1960 has passed. There are no arrangements, no Crown companies set up as yet, insofar as the province is actually concerned, in order that the government might help in some way the motel operators of the province.

If they read—and I imagine that they do—hon. members will see, in certain Canadian publications, articles written by people of Canada who have travelled in various parts of the United States. They come back home and say that one of the reasons why more Americans will not travel here in Canada is because they cannot get the proper type of places in which to stay overnight.

Coupled with that, they mention—as my hon. friend has mentioned—the liquor laws of the province. Indeed, I think that very serious thought ought to be given to the establishment of a Crown company by the province which would loan to the industry—

Hon. Mr. Frost: That is socialism.

Mr. Reaume: Well, socialism if you will. I have always said that I do not think that this capitalistic system is any sacred cow. I think that what we ought to do is to establish the Crown company so that we might make loans to these people; because if the hon. Minister does not know, he ought to know, that people who borrow money for building motels and fixing them up invariably have to pay large bonuses. Remember, that was in 1958 and not one thing has been done yet.

The other matter: In many states of the United States, and in many provinces other than our own, there is a great deal being done for the promotion of winter sports. I think in that part of the province from where the hon. Prime Minister originally came, around Orillia, Barrie, Collingwood and places of that sort—

Hon. Mr. Frost: Haliburton.

Mr. Reaume: Haliburton is one other. I do not know of any finer skiing slopes or places that people might go to advance and pro-

mote and help winter sports. I know in the city from which I come, there are many people who go every winter now instead of going in the summer time. Where do they go? To the province of Quebec.

Hon. Mr. Frost: Haliburton.

Mr. Reaume: Haliburton—not much. And one of the reasons why they do not go there is because this government has been backward—what has it done? It has not done anything for the promotion of winter sports in that part of the country.

It was only a short while ago that the people of Simcoe Centre were trying to get a service booth there. The government acted kind of hastily, I think. They were really stepping on the gas; there was something going on just about that time, so what do they do? The department runs in there with a trailer and parks it on the highway.

Mr. I. Haskett (Ottawa South): There are more skiers in Ottawa than in any other city in the world.

Mr. Reaume: We are not talking about Ottawa.

Mr. MacDonald: We are not in the city of Ottawa at all.

Hon. Mr. Frost: Well, we are in Ontario, and it is all over the place.

Mr. Reaume: I agree with what the hon. member for York South is saying. As one travels in other parts of the province, other parts of Canada, and in other states across the border, he is handed little books, too. But they do not hand the tourist a book that contains the picture of the entire Cabinet of the government of the province. If anybody can tell me what attraction that picture has, I would be very happy to hear it.

It is, I think, just another form of propaganda and has nothing to do with travel at all. Nobody is concerned who is Minister of Public Works. Tourists are interested in finding out something about this province and where they can go so that they might have a good time while they are here, a holiday.

Interjection by an hon. member.

Mr. Reaume: Well, that will drive anyone insane, to take a look at that picture.

Hon. Mr. Cathcart: The hon. member heard me say in my speech—

Mr. Reaume: I have not heard the hon. Minister say anything for a long time. The only thing I have heard him say, not so long ago, is that it was all right for people to drill for oil in Erie, but not in Huron. I heard that.

Now, crossing into Canada might not be such a bad idea, if, instead of the very first thing that one's eyes focus on, being Esso gas, or Shell gas, there was some form of appropriate sign welcoming the people to our province. I know in Windsor they get the advertising of everything else in the world but the province of Ontario when they arrive at the end of the bridge and the tunnel. It appears to me that—

Interjection by an hon. member.

Mr. Reaume: Oh, the hon. member is going to join forces now, is he? If the hon. Minister needs help, the hon. member—

Interjections by hon. members.

Mr. Reaume: When they are finished over there—they are the ones I am speaking to.

Hon. Mr. Frost: Go ahead, we are listening.

Mr. Reaume: The hon. Prime Minister is a man of great wisdom. He can talk and hear and see with the eyes and ears of the world.

Hon. Mr. Cathcart: We will not only listen but we will read *Hansard* afterwards.

Mr. Reaume: Yes, I know, but I want an answer now, if the hon. Minister does not mind. Go ahead, I have all night to spend here.

As I was saying, I thought probably it might not be such a bad idea if the province would take a few of the choice spots and put there a nice sign extending a welcome to the people who visit the province instead of waiting until they are down about 5 miles and then see a sign about 4 feet by 1.5 feet telling them that they are actually in the province.

The other point that I want to mention is this. I think instead of telling us how many people enter Canada in total in any one year, it might be an excellent idea if we could break those totals down, and tell how many people enter Canada by way of, say, Windsor, Sarnia, or any other point, with 1960 as compared to 1959.

I think, in that way, it would serve to give the local people in the area some idea of what they might do in the way of encouraging more people to visit our province.

Of course, the other thing that maybe has some effect on travel in the province is the bad condition of our roads. Why, if one were travelling over highway No. 401 from Windsor to the city of Toronto, he is off ag'in, on ag'in just like Finnigin. One can travel a very short way on highway No. 401 and then one must come back and travel on highway No. 2, and then one must go back on highway No. 401, again back on highway No. 2 and then probably over on highway No. 5.

Certainly this is not conducive to attracting tourists from other parts of the country or other parts of the world.

One trip across the roads of our province would be just about all that any tourist could stand, so I think that probably what the hon. Ministers of the Crown ought to do is to have a meeting. Instead of worrying about getting their pictures in every book that they publish at the expense of the people, they might sit down and find out how one of the departments might help the other in the interest of the province as a whole.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, in the speech from the Throne I recall that it was mentioned in the 15 points of that speech and I quote:

In recognition of the services rendered by tourist associations, matching grants will be made to improve regional tourist organizations to encourage the more effective development and promotion of Ontario's tourist industry.

I would like to find out from the hon. Minister—I know that he made some comments in his few remarks a little while ago but nothing was mentioned what tourist associations would receive these grants—how the selection is going to be made, and on what basis he is going to make these grants. So if the hon. Minister would please answer these questions, I have other questions when it comes to the various votes, but I am certainly quite interested in this.

Hon. Mr. Cathcart: I would reply, to my hon. friend, that the bill to enable that programme to be carried out will be introduced in the House very shortly. At this early moment, I am not in a position to give him the details or the regulations under which it will operate.

Mr. Belanger: Is that going to be after the session is over? Or—

Hon. Mr. Cathcart: No, no, we will be here for quite some time yet. But I felt

that the legislation should not be presented until these estimates were down and I had the approval of Parliament for the spending of this money.

Mr. Belanger: Well, I can see in the estimates that the hon. Minister has grants that have been increased from \$8,000 to \$83,000—, in other words, that the hon. Minister is going to have about \$75,000 for this purpose. Am I right in assuming this?

Hon. Mr. Cathcart: That is right.

Mr. Belanger: And we will be shown how that is going to be spent later on? I thought that possibly it could have been at this time, now that the hon. Minister is presenting his estimates.

Hon. Mr. Cathcart: May I say that it is very important that this programme be set up in a very solid way. We are dealing with the joint board, representative of all the tourist associations, so that when we do come up with the regulations it will meet with their approval, and they will feel that they can make great strides of progress as a result of the legislation.

We must have their co-operation out in the field. They must raise money comparable to the grants we will be making, and without their support we would not be too successful. So we are sitting in with the joint board to work out these regulations. So I feel that it would be a bit premature for me to be telling the House right now, at least not until I have them back to finalize it.

Mr. A. E. Thompson (Dovercourt): I have a few remarks which I would like to preface by a quotation. I am sure it is familiar to every hon. member of this House. The quotation is by the hon. Joseph Howe:

A wise nation preserves its records, gathers up its monuments, decorates the tombs of its illustrious dead, prepares its great public structure, and flaunts its national pride and love of country by perpetual reference to sacrifice and glories of the past.

I am sure that is the cornerstone of the policy of The Department of Travel and Publicity, in building up the great traditions of our past and making them a living sentiment of the people of this province. Now, Mr. Chairman, I feel that the hon. Minister should be commended for placing many historical plaques on great historical sites. But I would like to see him go further than this.

I think that he missed a great opportunity with the opening of the St. Lawrence seaway, that great project which was masterminded by its designers, the Liberal party of the federal government. I think of this occasion sir, because I know the love of history which the hon. Prime Minister has. Surely he could have grasped with his imagination a great opportunity of an historical pageant on the opening of the St. Lawrence seaway. We could have had a pageant with voyageurs and Indians, with United Empire Loyalists and others coming up the river for the opening of this great occasion. I know that we could have—

Hon. Mr. Frost: That is all going to take place on June 24 next. That is the time and the place for it to be carried out. The pageantry is in connection with the opening of the Upper Canada village, which is symbolic of the history of that great community, so we will ask the hon. member down at that time.

Mr. Thompson: I certainly look forward to being there at that time, sir. But I do feel that the hon. Minister missed his chance with the opening of the St. Lawrence seaway and it will not come to him again.

I would suggest, sir, that the hon. Minister is missing his chance with respect to attracting tourists by using the great historical wealth in this province. I noted, for example, in Manitoba, that the Manitoba government helped to preserve the folklore of the people who settled Manitoba. The government established a small group who, with tape recorders, interviewed the early pioneers to obtain some of the folksongs and some of the history from the pioneers themselves; the government took this opportunity because there was not much longer in which they could obtain this live history.

The first Ukrainian settler who came to Manitoba has unfortunately passed away, but the government has got these life records from other pioneers though tape recordings.

I think we could be doing more in this line. I think it is well if we could have imagination and provide a greater colour and vitality to our cities and to our rural areas.

For example, in Killaloe—the small Irish town where I came from—I can remember that we used to have a pageant in which we served, among other things, a very distinctive potato bread. Perhaps, for example, in Killaloe, Ontario, there might be some things of significance justifying such an historical pageant or colourful occasion indigenous to the history of the local community. Other

communities, no doubt, have points of historical interest to emphasize.

I do feel that, with the variety of people we have in this country, we are missing a real opportunity to have pageantry of a magnificent kind. Right here in our midst we have the cultures of many nations from across the world.

I can remember once, when I was chairman of an Ontario folk festival committee, we struggled to get some recognition. I feel that surely this government could take some interest in such programmes.

For example, a street in Toronto could be closed off on certain occasions where we could present some of the European pageantry and European culture—for example, an ox being cooked on a spit—I can see such progress bringing a great deal of colour to our province. Visitors see such projects in other provinces, they see it in Calgary and they see it in the southern states. Can we not think up our own particular types of Canadian mardi gras for our own communities?

I know that the department promotes actively the great holiday resources of this province and I know, sir, that it is also interested historically in our holiday resources.

I am sure the hon. Minister would be interested in knowing that, in 1870, the Don river used to have salmon that came right up the river. There was a bylaw passed that no farmer could serve salmon more than 3 times a week to his hired help.

I think we should put a plaque by the Don river, because today the distinctive quality of the Don river is that it carries 2 gallons of treated sewage down for 1 gallon of water. There are no longer salmon coming up that river.

The only problem the hon. Minister would have with respect to the plaques, is that he would have a great number of them to put up. Because I would suggest in southern Ontario we have such glorious rivers as the Thames, the Credit, the Ottawa, the Grand, all polluted. I feel that his job is extremely difficult when it comes to attracting tourists to our wonderful sparkling clear waters when all of southern Ontario's rivers are polluted.

It is not only southern Ontario—

Hon. Mr. Frost: They never did much about it either, did they? The rivers up there—

Mr. Thompson: They have the same situation in the north. In fact, the remark of the hon. Prime Minister brings to mind that I used to enjoy—and I hope I still will be able

to enjoy—going up to the little town of Minden, the lovely clear lakes of Haliburton. What do I read over Christmas? The waters of Gull river are polluted! I say this is a shocking situation, a shocking situation—

An hon. member: Where did it come from? There is nobody up there to do it.

Mr. Thompson: If I could turn to another aspect of The Department of Travel and Publicity, I think that the major emphasis should be on travel when we are referring to the citizens of Toronto. All the way from Oshawa to Niagara Falls there is not one decent park provided by this provincial government. As my hon. leader (Mr. Wintermeyer) pointed out some time ago on a television broadcast, more and more the people of southern Ontario, to get to the holiday resorts, are certainly having to do some travelling because there are no holiday resorts nearby. I bring these points to the House, sir, because I realize the very real problem that the hon. Minister has, in publicizing our natural resources, if he cannot get closer co-operation with the other departments, to get them to wake up and realize that we are losing our heritage.

Hon. Mr. Frost: The hon. member should not believe everything he reads.

Hon. Mr. Cathcart: Mr. Chairman, I should only interject here that we have complete co-operation from every department of government in the province of Ontario, and I want the hon. member to know that.

Mr. Thompson: Well, is it co-operation in polluting the waters? They are not cleaned up.

Hon. Mr. Frost: The party opposite was in power and never did a thing—in the days of Mowat, and Hepburn, Conant, Nixon and the rest. We are making very great progress—

Interjections by hon. members.

Hon. Mr. Frost: Might I just say this, sir; that the waters of the great Haliburton country are not polluted. Of course, we have suffered from the fact that there has been very low rain and snow fall and—

Mr. V. M. Singer (York Centre): Does the hon. Prime Minister control that, too?

Hon. Mr. Frost: No, we do not, and that is the point. It means that the waters are very low in that whole country, and it has been very difficult for people who draw from

lakes and rivers, because the lakes and rivers are down due to low rainfall and water drops.

The problem, at the present time, is one of nature. For the people of Minden there is not any pollution problem in that nice clear, sparkling river at all, excepting this—

An hon. member: There is always an exception.

Hon. Mr. Frost:—that, of course, in those lakes the tourists in the summertime arrive in their tens of thousands, perhaps more than that. As a matter of fact, now they are starting to visit there in very many thousands in connection with skiing and that sort of thing.

Of course, that means this village of Minden, which under the aegis of this government is growing very rapidly and has a good water supply, consults the water authorities.

They feel that either they should put in filtration plants or a plant to guard the people, or drill wells.

That is all in the course of development, but I would say that those beautiful crystal-clear sparkling waters which are in southern Ontario are still available and are going to be preserved for the people for all time.

Interjections by several hon. members.

Mr. Chairman: One at a time.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, now that topic has been covered, I would like to speak on vote 2201.

In the city of Windsor where unemployment is a very serious problem, there is one way in which the government could readily assist, and that is through the promotion of tourism.

In the Throne debate, I mentioned the fact that there was an article or editorial in the *Windsor Daily Star* on how to deter tourists from making return visits, and the hon. Minister has mentioned the fact that there was complete co-operation between the various departments.

Had he paid attention when that editorial was read, it certainly disproved any comment of his concerning co-operation between departments. The tourist in our area can get 30 miles outside of the Windsor area, and then he is thrown into a bottleneck and unable to travel on highways that he is entitled to.

Now, pushing that a little farther, we have probably the most popular park in the eastern part of Canada situated in Essex county—and

that is the Point Pelee national park. We have something that is most unusual there, and yet we deprive the tourist of it. And when we refer to tourists, remember the area from which I come is sort of the hub of the North American continent. There are, I would say, roughly 30 million people within one day's drive of the Pelee national park. Certainly the government should pay attention when it comes to the promoting of tourists if only for that one park.

The highways leading into that area are satisfactory for normal traffic. But on week-ends, or during the tourist season, the tourist finds himself taking approximately two hours to travel 33 miles, and that certainly is not conducive to good tourist promotion. Yet we hear that there is complete co-operation between the various departments.

I was a little disappointed at the hon. Minister not mentioning probably one of the most important festivals in the free world, and that is the freedom festival that is held jointly between the city of Windsor and the city of Detroit. Nowhere else in the free world do we find two cities on an international border celebrating and conducting a pageant of this type.

Likewise, with the freedom festival, we have something quite unusual in the fact that we have an athletic competition or event that starts in one country and ends in another. This foot race, or marathon, starts in Detroit one year, and ends in Windsor, and the following year starts in Windsor and ends in Detroit.

Here are things that The Department of Travel and Publicity certainly should be able to make hay of, to use the vernacular, and to promote.

Likewise, we have a city across the river with a metropolitan population of 3 million. It has constructed projects on a redevelopment scheme, plus a convention hall, that totals well over \$100 million. It is the third most popular tourist attraction in the United States. Here they are, just a stone's throw away from Canada, from Windsor, yet there is absolutely nothing being done to lure the tourists from across that river into Windsor and into the rest of Canada.

Now, there is another phase that I would like to speak on. I noticed the hon. Minister mentioned matching grants. I think that is a very, very good feature. I certainly will expect him to be receiving a letter from the Essex county tourist association so that they can partake in those grants.

There is another feature that comes under his department, and that is the theatres.

Now the theatre tax: Apparently there is an amusement tax on theatres, but there is none on television—not that I am trying to infer that there should be a tax on television—possibly now is the time to consider, for the sake of that industry, a lowering of the theatre tax.

Likewise, I would like to ask of the hon. Minister—I will ask it possibly a little later—as to whether live shows such as held in our theatres and night clubs come under the jurisdiction of his office.

Mr. R. Gisborn (Wentworth East): I would like to say a word or two in general. One realizes that The Department of Travel and Publicity is one whose main function, or one of whose main functions, is to promote tourism in the province, and to administer the various Acts in relation to the tourist establishments.

It seems to me that a lot of the emphasis has been put on the American tourists, and in the ways we can get more dollars from them.

I think we have to remember also there are a large group of native vacationers from the southwestern areas who use northern Ontario. We have to put a little different emphasis on what they are entitled to and how they can better use their national or provincial heritage. They are not going up there merely to provide the tourist industry with dollars, but to enjoy the natural beauty of northern Ontario.

It seems, in the House, whenever there is reference made to northern Ontario, they say the "great northern Ontario," the "great northwestern Ontario" and I would suggest that northern Ontario and the northwestern Ontario were great before we had a single citizen established in that part of the country.

Whether it is still the same now that we have man here, I do not know. But I think we have to do something as well as talk about the tourist industry in northwestern Ontario. We have to agree that we need more people there first—permanent people. And to have more permanent people we have to think about some basic industry, some permanent industry, all-year industries.

We cannot just leave the north to the paper and pulp industry or the mining industry; we have to start thinking about getting more permanent people there if we are going to really have a great northwestern Ontario.

Certainly we have been talking about the need for secondary industries in the province, and I think it is about time the government showed some initiative. To get something

going in the secondary industry basis, we have to start to develop the thinking that we can provide the facilities for certain types of secondary industry in northern Ontario.

I feel that we have to really make northern Ontario a place for our own native vacationers. The complaints that I am receiving from the people in my area—and a lot of them go north, both from Hamilton and Toronto, and I imagine as far as Windsor and all over this area—is that they find it is becoming harder to find public beaches. I have not spent too much time in the area of highway No. 11, but I took a trip from Kenora down to Fort Frances and I found this is the case.

I believe I found 3 signs where I could turn off into a public provincial park. At about every sideroad from Kenora to Fort Frances, it was "Private beach," "Boating and fishing," "Private beach, boating and fishing" and a motorist was not welcome to turn down that sideroad unless he was prepared to hire a boat, or unless he was going to spend some time down there and spend some money.

I think we have to have spots, put up signs, for these people, to say they are welcome. They do not want to have a cottage; maybe they have a tent and want to be able to go down on to a lake some place and stay there for a day or more than one day.

It looks to me, with the complaints I have been getting, that we are going to develop, in northern Ontario, the private sector of our natural resources up north the same as we have down in southwestern Ontario.

I would like to deal with a specific item closer to home, and that is the Stoney Creek historical battlefield. I think it is about time that the provincial government stopped their procrastination in regard to this situation and let the people of Stoney Creek know exactly where they stand.

I have raised this question for 3 years in the House. I felt that the first year I raised it, on behalf of the Stoney Creek historical society, we received very sympathetic consideration from the government and an assurance that the question would be resolved before long.

I was successful in joining with the Stoney Creek group in holding up the selling of the 16 acres of land involved, to a private contractor to develop it into a subdivision—along with help from The Department of Highways who said they would not allow access to highway No. 20 or to King street because of the hazards involved.

But they have made no progress in this regard since.

Now, I understand that the federal government moved in some small way by offering to go for one-third of the cost of the 16 acres. I believe the original price asked by the owner was something like \$86,000. I believe the federal people have indicated that it is too high a cost, but they would pay one-third of it if the provincial government would offer to take some portion of the rest.

Certainly this site demands consideration. It is adjacent to the battlefield site—The Department of Highways has declared that it would not be suitable for a subdivision because of access to the main highways—and I would appeal again to the government to let the people in Stoney Creek know just where they stand. Is the provincial government going to join with the federal government in acquiring this piece of land so that they can go ahead and develop it into an historical park as they have requested for some time?

Stoney Creek is only a small portion of my riding, and I have the interests of the rest of the riding to look after. I could well have said that the \$86,000 might be better spent in developing a lakeside park somewhere in Saltfleet; I could say that we should spend it in developing drinking water for a portion of Saltfleet that has not yet got drinking water in their homes.

But I feel these people have developed a really sound argument, their request is realistic and logical. It is time the government let these people know what it intends to do, if anything.

Hon. G. C. Wardrope (Minister of Reform Institutions): Mr. Chairman, if I may, I would like to say a word in answer to some of the criticism that has been levelled at this great Department of Travel and Publicity regarding their parks, because in my area we think the Ontario parks project is one of the greatest things that has ever been done in the past few years for the benefit of the public at large.

I wish to congratulate the hon. Minister and his dedicated staff on the great job they have done in the field of parks.

I would like to give some of the hon. members of the Opposition an invitation to come up to our part of the country—the great northwestern part—and see some of the things about which I am going to speak.

Mr. Reaume: We were up there.

Hon. Mr. Wardrope: I start with Kakabeka Falls. What a great park that has become, not only as a summer tourist resort but as a winter resort. It is attracting thousands of people at the present time to the ski run, as the hon. Minister knows, and when one thinks of the beautiful falls, and the ski run, and the other facilities that have been built there—and my department has played a great part in it, in supplying the picnic tables and benches and the barbecues made by our inmates—it is something of beauty for the people of this country.

Another one is Sibley peninsula—that the hon. member for Fort William (Mr. Chapple) knows about. He has probably been there. It is a marvellous natural park that attracts thousands of people to this country and is a great money-getter for Canada—not only Ontario, but Canada.

There are so many more—Polly Lake with its great fish derby, with the big lake trout caught in Nipigon, and also Rossport, with the famous fish derby there.

The Department of Travel and Publicity play such a great part in these tourist attractions that I do not think we should be criticizing them today. They are projecting a new park at South Bay on Lake Nipigon, and another one on highway No. 17, east of Nipigon, to supply park facilities on what is now known as the Gap, on the Lake Superior north shore highway which is now finished.

These parks, Mr. Chairman, are attracting thousands of people to this northwestern country; and it is not only tourists from outside this country whom they are attracting, but they are providing great facilities for relaxation and pleasure for our middle-salary groups of Canadians who cannot afford lengthy, expensive holidays.

These parks are great things for them, they can go there with their trailers and their cars and their families and have a very wonderful holiday for very, very little money. These are great things for our Canadian people, and those facilities should be constantly built up to attract the tourist and they have been built up tremendously over the past two or three years.

I would like to say a word about this trans-Canada Lake Superior-north shore highway which has been finished this last year; to me it is a tremendous engineering feat.

Mr. T. D. Thomas (Oshawa): What about the middle-salaried people with their tents and trailers?

Mr. Reaume: What about the unemployed people?

Hon. Mr. Wardrope: Well, I will not cover that now, but I will give the hon. member the answer to that shortly.

Mr. Reaume: What about Canada Car?

Hon. Mr. Wardrope: Canada Car is doing all right. Do not worry about our area, we are all right.

An hon. member: How many are employed there now?

Hon. Mr. Wardrope: Now, concerning the trans-Canada gap; I would like to read hon. members a piece written by one of our own Port Arthur boys who was the president of the Lake Superior international highway association, a man who is very knowledgeable and a great Canadian. Here is what he said.

An hon. member: What is his name?

Hon. Mr. Wardrope: Bill King. I think the hon. member for Fort William knows him very well, so he will know that I am stating facts when I say this. I quote:

Now encircled by a network of first-class highways, Lake Superior's vast and varied coastal regions on both sides of the international border are bound to provide an exciting attraction for tourist travel in 1961. All sections will benefit.

I want to congratulate the federal and provincial governments of this province for that great engineering feat, and also congratulate all those contractors and operators who had anything to do with its completion.

This encouraging and optimistic forecast is based on the spectacular volume of traffic in the wake of the opening of the final link in the Lake Superior shoreway on the Canadian side in mid-September of 1960.

It is an augury of the stimulated flow of tourist travel in the years ahead. Until last year it was impossible to drive completely around the largest body of fresh water in the world. On the north shore, in Ontario, there remained a 164-mile gap in the circle route. Now this gap is closed by a \$40-million construction programme that slices through some of the most enthralling wilderness country in North America, with a highway meeting trans-Canada highway specifications.

It was a tremendous project that met the challenge of prodigious physical

problems. Federal and provincial funds were extended prodigally to give the motoring public a dramatic driveway through primeval territory of forests, crystal lakes, surging rivers with breath-catching panoramas of the mighty lake.

Massive granite formations were blasted open to provide a roadway costing in places \$325,000 a mile. The rock cuts are 60 feet deep and rock fills in parts of the highway 80 feet in thickness. More than 20 bridges were built, one of them with a span of 900 feet, White Lake Narrows. 1,000 men—

There is your unemployment being assisted: —operating \$15-million worth of equipment, laboured for more than 3 years to close the gap.

Opening of the road, widely publicized throughout Canada and the United States, was centred at the little iron ore mining centre of Wawa with a monument to mark the achievement. It is a sculptured wild goose, 22 feet long and 18 feet high.

Wawa is the Indian name for wild goose.

Its outspread wings symbolize the new freedom of movement around this great body of fresh water, Lake Superior.

American cities and towns bordering Lake Superior are going to see many more Canadian visitors in 1961. The new roadway gives them the first opportunity to penetrate the Lake Superior country and a large percentage may be expected to enjoy the 3-day, 1,000-mile trip here around the sky blue waters.

Similarly Americans will respond to the new attraction in great numbers. To publicize the circle route, the Lake Superior international highway association—

to which our hon. Minister and his staff have contributed greatly:

—plans a vigorous campaign both in Canada and the United States to focus still more attention on the international recreation area.

One proposal under consideration is the sponsoring of an international sports car contest covering the entire circle route.

The association comprises representatives of communities and organizations, large and small, interested in developing the tourist industry in the Lake Superior region. Thus far, it has done much to rivet new interest on the area, and it is determined to broaden its activities on behalf of all parts of this international territory.

Even greater stimulus to the circle tour

will accrue when the projected international bridge linking the Canadian and American Soo is opened in 1962. The span will supplant an existing ferry service. Until that happens, the Soo area is the last remaining bottleneck to a tidal wave of tourists enjoying a memorable motoring experience.

Imagine a Port Arthur boy writing that. I am very proud of him.

We are fast becoming the tourist centre of the world. Our beauty is not man-made; it is pure nature—scenery, unpolluted water, and game and fish—a paradise of tourism that this government is developing for the people, not only of Canada but of the world.

In closing, Mr. Chairman, I congratulate the hon. Minister and his staff on the great job they are doing with the help of the Canadian people.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, after the speech to which we have just listened, I wonder what the hon. Minister of Travel and Publicity is doing to promote that great country up there.

Hon. Mr. Frost: The hon. member ought to go up and see.

Mr. R. C. Edwards: I should like to make a very few remarks with respect to these estimates. I believe we are all aware of the recommendation of the new President of the United States to Congress, in which he has asked for a reduction in the amount of duty-free allowances which Americans are entitled to take back to the United States.

Of course, the reason for this recommendation was the concern for the expenses and the spending of American dollars abroad.

Mr. Chairman, we are all very aware of the fact that The Department of Travel and Publicity exists, I think, principally to encourage tourism in this province. It will not be very long before highway No. 401 is completed—at least that is what the hon. Prime Minister would have us believe.

Hon. Mr. Frost: Does the hon. member not believe that?

Mr. Singer: The government has been saying it for years.

Mr. R. C. Edwards: There is some concern, on this side of the House, as to just when it will be completed.

But when that highway is completed, Mr. Chairman, it will follow the pattern of our superhighways today, where we whisk people

through from one end of the province to the other without really seeing very much of the towns and villages and historical sites and tourist attractions which exist.

As a result of this pattern which exists on our highways, we have eliminated advertising which used to appear on the old two-lane highways as we drove along.

I might state that, in a recent visit which I made to the United States, I was very well aware of many of the tourist attractions in that country because of the billboards and the various methods which were used to bring them to my attention as I passed by.

I suggest that, with our new superhighways, these facilities are no longer available to acquaint the tourist with the places where he might stop and spend his money. Since he will not be spending his money on so many Canadian goods, I think we should make an effort to try to persuade him to spend some of that money and leave it here in the province of Ontario.

Mr. Chairman, that leads to a suggestion which I should like to make to The Department of Travel and Publicity. It might properly be made, I suppose, to The Department of Highways.

Since the encouraging of these tourists into Ontario is part of the responsibility of The Department of Travel and Publicity, the estimates of which we are considering this afternoon, I feel that perhaps it might more properly be brought up here.

I have on my desk a map which is put out by the New York state thruway, and which shows the route that highway takes through the state of New York. On the back of the map, Mr. Chairman, is indicated at each exit the various places of interest at which the tourist might stop, or which might encourage a tourist to stop and perhaps leave a little bit of his money in that particular area.

I suggest to the department that since the billboard method of advising tourists is disappearing from our highways—and I think that to suggest bringing billboards back would run into considerable opposition from The Department of Transport and The Department of Highways—I think The Department of Travel and Publicity might well consider taking some steps along the lines which I have mentioned; something along the lines which are indicated in this map by the New York state thruway. It could advise the tourist of the places where he might stop, which he might otherwise miss if we do not do something to advise him that those places are there.

Hon. Mr. Cathcart: Of course, we do have our publications *To See and Do, Outstanding Attractions*, and so on, which are sent out by the thousands to these people. The hon. member knows of that, of course.

Mr. R. C. Edwards: I appreciate that, and I think it is a very good idea. I am merely suggesting that the one map which is put out by the province of Ontario—and which is a very large map and covers the entire province—might be put out in sections.

I suggest that many people will now whisk through the province on highway No. 401, and that they will not stop and they will not leave as much money in the province of Ontario as they would have done using the other highways.

So I think it is up to us to show some imagination, and try to get those people to spend their money rather than to take it with them back to the United States, because, as you know, sir, the tourist industry is already unbalanced insofar as the amount of money spent in Canada by the United States visitors is concerned.

Hon. Mr. Cathcart: May I say that is one of the reasons for coming up with the regional tourist grant—with the hope that it will encourage the local businessmen in these local areas to do more advertising, and so on.

Mr. R. C. Edwards: If the hon. Minister is sufficiently satisfied, that is his decision. I do think what has been suggested has some merit, and apparently the Americans think it has some merit over there because they have been doing that.

I would like to just spend a moment in supporting the hon. member for Wentworth East in his remarks with respect to the Stoney Creek memorial and the park which has been suggested. I do not know of any particular attraction in Ontario which might be of more interest to American tourists than that particular site, and I do not blame the hon. member too much for being a little bit annoyed when he has brought the matter up several times and seems to be receiving absolutely no encouragement.

He stated that there might be other things he could bring up which would be of benefit to his riding. I would remind hon. members that I do not represent the riding—it is not in my area—but I do think it has merit, and I think the government and the department might consider it very seriously and take a good look at this situation.

It might terminate the route which I brought up in the suggestion under The

Department of Lands and Forests last year, when I suggested that the hon. Prime Minister and the Cabinet consider the recommendations which were made by the committee which presented a very extensive report for the converting of the Niagara escarpment into a park and a scenic route which would be of interest to tourists.

I think we should promote northern Ontario, but I think the hon. Minister states that there is complete co-operation among all departments of government, and that he receives every co-operation from the various departments.

I would think, if he would take a look at this situation—possibly if he thought it was a good idea—that maybe the hon. Ministers of the Cabinet might see this committee which has been trying with no success for some two years to get down here and talk to the hon. Prime Minister and the Cabinet.

So if the hon. Minister would take that under consideration, maybe he could give them a little bit of help, and most certainly it would be of considerable benefit to the tourist industry since this particular escarpment, and this park and the proposed scenic route, lie very close to a very large population of the United States.

If these people could be encouraged to come over here, this would be a short route of about 100 miles which they could take, and I think this also would promote the tourist industry in Ontario.

Mr. L. Troy (Nipissing): Mr. Chairman, I understand the hon. Minister has said he will give grants to various local organizations. I know in my own riding of Nipissing, in addition to the tourist organizations, the chambers of commerce in North Bay, Mattawa, Sturgeon Falls, Verner, Lavigne, and Noelville, in the French river area, spent a lot of money on tourist promotion. I hope that they will be eligible for grants.

Speaking of North Bay reminds me that I hope the hon. Minister will have his exhibit at the North Bay sportsmen's show which will be in the memorial gardens at North Bay on April 5, 6, and 7, I think the dates are.

Hon. Mr. Cathcart: I think that is already arranged.

Mr. Troy: Thank you very much. Now when I was home this weekend—

Hon. Mr. Cathcart: As a matter of fact I expect to be up there personally; I hope I see the hon. member.

Mr. Troy: Oh, fine. I am sorry; I hope to be south.

When I was home this weekend, I went through a copy of the *Ontario Travel News*. I looked down the list to see the carnivals, and I see there is no mention of the carnival at Temagami.

Temagami, as I understand it, is a creature of this government—and I am sure the former member for Timisaking must have turned over in his grave—

Hon. Mr. Cathcart: It has been advertised in our publications. What is more, there will be spot radio announcements just previous to the Temagami carnival. I can assure the hon. member that—

Mr. Troy: Well, thanks very much; because I was very much disturbed when I looked down and saw nothing about it. I am glad to know, because it opens, as we know, on the 17th, 18th and 19th.

Hon. J. A. Maloney (Minister of Mines): It is not unusual for the hon. member to be disturbed.

Mr. Troy: When I am in the House and the hon. Minister of Mines is here, I admit it is not unusual for me to be disturbed.

Hon. Mr. Maloney: I have yet to see the hon. member any other way but disturbed.

Mr. Troy: I know the Ontario Northland has excursions up there, and I was disturbed when there was no reference to it. And I say it again: "disturbed"; for the benefit of the hon. Minister.

Now I have a couple of other points, but I will deal with them under the historical branch.

Vote 2201 agreed to.

On vote 2202:

Mr. W. G. Noden (Rainy River): Mr. Chairman, I would like to deal with vote 2202. First I would like to congratulate the hon. Minister of Travel and Publicity and his staff upon the tremendous and fine efforts that they are doing in advertising by different methods.

When I hear statements being made in connection with northern and northwestern Ontario, I feel that I would like to elaborate on some of these things, especially when they say that industry itself should be brought into the area, because I think the industry that is there now is doing a grand job.

When we think that the tourist industry

is one of the top revenue producers of the province, yes, of Canada—and it is through northern and northwestern Ontario that they are able to do this and bring in this new money, and the industry itself can only survive by allowing itself to be built on the shores of our lakes, along our highways—I might congratulate the hon. Minister of Lands and Forests (Mr. Spooner) for his parks which have been set up in that area.

There are plenty of parks today with sand beaches to provide pleasure for people of this province and for our visiting people. I think of one where the sand beach is two miles long and which will take care of our people for many years to come.

Now, in connection with publicity—

Mr. Thompson: May I ask the hon. member a question? Would he tell me of a sand beach where people can go swimming between Oshawa and Niagara Falls; a public beach?

Mr. Noden: I am speaking of northwestern Ontario.

Mr. Thompson: Can he tell me of one? I am thinking of the people who, through this densely populated area—

Mr. Noden: Come on up to our area and the hon. member can have the use of them.

I feel that The Department of Travel and Publicity are doing a grand job in advertising through newspapers, magazines, over TV, radio, and billboards south of the border. The result is proving itself in no mean manner in this way.

As a member of the Mississippi parkway commission, I was privileged to attend with the hon. Minister last September at Memphis, Tennessee, when we invited this commission to hold their convention at Fort Frances in northwestern Ontario. It was accepted in a hurry; there was no hesitation about it.

When we think of the 10 states that belong to the Mississippi parkway commission all striving to have the convention come to their area, it is significant that we, one of the two provinces that are part of this Mississippi parkway commission, were unable to get them to accept it.

Because of the publicity work which The Department of Travel and Publicity has done down through the years—not only the tourist industry has done a great work in publicity—hon. members can see why they wanted to come up into our area. It was brought about by the publicity that has come out of our area.

Our own hon. Prime Minister of this province has been invited to attend the convention in Fort Frances. At this convention there will be Governors, Congressmen, state representatives from 10 states bordering on that great river, the Mississippi. I know that during the convention in Tennessee the secretary said to me: "You want to make a point of getting your literature out to our people because they are all going to spend a holiday up there."

I would say that the literature that the department is putting out is serving a good purpose, when it is being asked for. So I leave it with hon. members, that our industry—the tourist industry which is so important to the economies of northwestern Ontario—has what it requires for these people.

As the hon. Minister from Port Arthur has said, in his glowing words: We have our lakes, our streams, our scenic beauty and our forests, we have highways. We do not have to take second place to any place south of the border as far as highways are concerned.

I extend an invitation to all hon. members to drive the north Superior route of the trans-Canada highway this year and see for themselves the most scenic highway in all of Canada today.

Mr. Thomas: Mr. Chairman, on this vote—division of publicity—this is up about \$30,000 over last year. According to the public accounts for the fiscal year ending March, 1960, I find that the total bill for the division of publicity was \$967,563.26.

Now, under the item of publications and publicity and cost of publications, advertising, and so on, there are a number of firms listed; but I find that about 3 of those firms, of the total number listed, received about 80 per cent of the amount.

One was McKim Advertising Ltd., an item of \$133,556; the Queen's printer \$451,000; Johnson and Hill, \$205,000.

Now, Mr. Chairman, the question I would like to direct to the hon. Minister is this: how are these contracts given out, simply by favour, or by estimating, or in what manner at all are they given out to the different companies?

Hon. Mr. Cathcart: The printing contracts are given out by tender in the first place. The names of the firms that the hon. member has mentioned are advertising agencies. We deal through 4, I believe, all of our advertising is handled by an advertising agency.

They even pay the bill for us, and out

of that bill they deduct, on an agreement, a percentage. I believe it is 15 per cent plus 2 per cent if paid within 30 days. It does not cost the government or our department any more, but they handle the advertising. They pay the bill but they deduct a percentage.

That is why there are 4 agencies—and, as a matter of fact, I say 4 are too many for the amount of work that we do. My director would much rather have two because they learn the formula and he feels they could do a better job if it was limited to a couple.

Mr. Thomas: Well, Mr. Chairman, how does the department know the lowest tender is being awarded? Do they leave it up to the advertising company?

Hon. Mr. Cathcart: The printing of publications is all handled by the Queen's printer. The hon. member mentioned McKim's and McConnell Eastman, and so on, so I think we are confusing one with the other. The publications go out on tender and the printing goes through the Queen's printer.

Mr. Thompson: Sir, could I just have some figures on it? It seems to me an extremely odd coincidence that the one advertising firm which appears to have all the particular skill and knowledge happens to be McKim Advertising Ltd. Across this province we have people with ability and firms with ability and imagination as well as McKim Advertising Ltd. Yet when we look at the amount of money that McKim's are getting we find—I have just put this together hastily—it is \$365,952 from Travel and Publicity, Attorney-General and Transport Departments; this means that McKim's are getting, for their commission from the people of Ontario, some \$54,892—roughly, it is at 15 per cent.

Now, surely with respect to this, we could maybe spread this to other advertising agencies across this province. We should have a more open and understandable way of giving these contracts than just to say that McKim's have learned the ways of the government. This is a most peculiar situation.

Mr. R. J. Boyer (Muskoka): May I ask the hon. member a question? When the hon. member says any particular agency is getting a certain amount of money from the government, what does he mean?

Mr. Thompson: I am just reading from these estimates the amounts of monies that are paid to these agencies. I also have been told by the hon. Minister previously there is a 15 per cent commission plus 2 per cent for

something. So in view of just 3 departments that McKim's are getting, they are thus getting a per cent which is \$54,892.

Mr. Boyer: Well, what are McKim's and these other agencies doing with that money?

Mr. Thompson: I beg the hon. member's pardon?

Mr. Boyer: What are these agencies doing with that money?

Mr. Thompson: Well, in some ways, as I look at some of the illustrations that have been put out, I would say that they are throwing away some of the people's money with the ridiculous extravagance they are putting out.

Mr. Boyer: I think the hon. member is evading the question. What actually is being done is that these agencies are paying accounts for advertising on behalf of The Department of Travel and Publicity, and on behalf of the other departments of government which the hon. member mentioned. It is not a matter of just giving that money in a bulk sum to a particular business firm. They are acting on behalf of the government and it is not costing the government any more money for them to do it.

In fact, it would cost the government more money if they endeavoured to place those advertisements themselves in all those publications, because they would have then to add to the cost of the advertising, the cost of preparing the copy, the cost of stereos, engravings, and so forth.

This is a service which is being given by advertising agencies, and it is not a matter then of a particular business firm getting a large sum of money for itself, it is getting it on behalf of a very large group of media—of magazines, radio, newspapers, and so forth.

I think that that matter has been discussed in this House every year that I have been here, and there is a great lack of understanding, I think, on the Opposition benches about it.

Mr. Thompson: Could I just clarify for my own mind? Does the hon. member say that McKim's are not getting 15 per cent which comes to something like \$54,892?

Mr. Boyer: They are not getting that from the government.

Mr. Thompson: They are not getting a 15 per cent commission?

Mr. Boyer: Not from the government.

Mr. Thompson: I wonder if the hon. Minister would clarify for us, are McKim's Advertising Ltd. getting a 15 per cent commission on the advertising they do for him?

Hon. Mr. Cathcart: I would not be able to guarantee that they get the 15 per cent. We pay the total cost. The hon. leader of the Opposition understands. We do not have anything to do with the 15 per cent. As the hon. member has pointed out, surely it lessens our overhead—

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, this is ludicrous. Does the hon. member for Muskoka suggest that McKim's are uninterested in this? That is the inference one would draw.

Hon. Mr. Cathcart: May I just say that when I went over to the department I think there were only two agencies at that time. Today we have 4, trying to distribute this around in a fair-minded manner. I object completely to the hon. member for Dovercourt standing on his feet and inferring that we are doing something to give some gravy over to certain people. McKim's have handled it for years; the firm was selected long before I had anything to do with it, and as a matter of fact it is distributed, or at least our advertising goes out, through 4 different agencies, which I think is plenty.

Mr. Thompson: Sir, in view of this liberal attitude—

Mr. F. R. Oliver (Grey South): Are those tenders on a yearly basis?

Hon. Mr. Cathcart: The tenders apply to the publications for printing. We do not call for tenders on the advertising.

Mr. Thompson: Sir, in view of this liberal attitude on the hon. Minister's part, and the strong objection on his part to my inferences, is he going to give some of this advertising, for example, to MacLaren's Advertising?

Hon. Mr. Maloney: Mr. Chairman, would the hon. member permit a question? What was the custom with Cockfield Brown when he was a civil servant with the Liberals in Ottawa?

Mr. Thompson: I am quite happy to make a comment. I do not know what the situation was with William the Conqueror and how he approached it. I am not interested in what the situation was in previous years, but I am interested for this year.

Hon. Mr. Maloney: For 22 years in Ottawa, apparently, the party for which the hon.

member worked there was suffering under the same difficulty that he is suffering under now.

Mr. Thompson: I would like to clarify that. I never worked for the Liberal party in Ottawa in those days. I was part of the civil service. And may I assure you, Mr. Chairman, that in Ottawa the civil service is not a patronage service in any sense.

Mr. Wintermeyer: Before we go on to vote 2203, Mr. Chairman, I would like to ask the hon. Minister for an explanation for the decrease in the amount of money allotted to vote 2202 for the ensuing 1961-1962 year as compared with the past two years. There is a difference of \$436,000 according to my estimate.

Hon. Mr. Cathcart: The reason for the difference in the amount is that Her Majesty the Queen's visit took place and the supplementary amount was approved by Treasury in order to take care of that. We had made no preparations to take care of the advertising as a result of Her Majesty's visit, so we received a supplementary amount of \$70,000 there.

We also received another supplementary amount in order to get out certain literature that we had run short of to get it off the printer's desk in time to take care of the early mail inquiries before the end of the fiscal year. Then there was a supplementary amount for the production of the Columbia picture "Wonders of Ontario" which was only finalized during that year, and we did not have it in our estimates. We paid only some \$35,000 towards a theatre film which I understand would cost a total of something like \$110,000 or \$125,000 if we had paid the complete cost of production. So we are back again to our normal estimates.

Vote 2202 agreed to.

On vote 2203:

Mr. Belanger: Mr. Chairman, from my information all I can say on this is there are salaries being paid. I do not know what the work consists of. Would the hon. Minister please explain what is the work of this branch?

Hon. Mr. Cathcart: I think maybe the most important part of the work of the development branch is related to the inspection branch. We have about 20 inspectors out in the fields inspecting divisional offices. As hon. members may have noted in my remarks, not only do they inspect between 7,000 and 8,000 establishments throughout

the province—everything with the exception of liquor licences—but they also advise and counsel those people who are proposing to build a new accommodation, a motel or resort operation.

They are advisors and counsellors, they issue licences to establish and licences to operate, and that is a large part of the functions of the development branch. It also carried out that survey in Kenora, about which I told the House, they are responsible for that work.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I wonder if the hon. Minister could tell us where he is going to have the survey this year? I ask because, if he has not made up his mind, I am sure we would be glad to have it somewhere in the county of Bruce. As he knows, there are many towns there which are very interested in tourist business and we would be very pleased to have it in one of those towns.

Vote 2203 agreed to.

On vote 2204:

Mr. Belanger: On vote 2204, I would like to ask the hon. Minister what reception centres are kept open the year round, and if it is the policy of the department to build their centres, or do they consider the renting of quarters in suitable locations?

My purpose in asking the second question is due to the fact that it was mentioned by the hon. member for Essex North today that certainly the centre in downtown Windsor is not in the best location.

I think I have taken this up with the hon. Minister, and he agreed it was not in the right location. Until a suitable location is found for it, I do know that the area in question at the present time may prove fine; The Department of Public Works is trying to locate a building right across from the police station. They may be able to have some parking facilities, but at the present time I am wondering whether that could not be located in rented quarters.

Hon. Mr. Cathcart: My information is that, as of the moment, The Department of Public Works have acquired all but one property of that proposed building location. As a matter of fact, tenders are at present out for the demolition of the buildings that are now located there. At least the city of Windsor is working out, or trying to work out, a programme with The Department of Public Works as to how the building should be built, whether it should be by Ontario, or by them and then rented to us.

At the moment I have not got the answer to that, but they are trying to work out a programme.

Mr. Belanger: It is the hon. Minister's intention, then, when that is done, to keep the centre open the year round? I ask because I feel that is one centre which should be kept open the year round.

Hon. Mr. Cathcart: We have always kept the downtown centre open the year round, as the hon. member knows. It has been open the year round—12 months—and it is expected that will continue, because as a matter of fact, I think, out of all Ontario, the people of the city of Windsor use our reception centre to a greater extent than almost any other place.

I find when I am down there and talking to people in Windsor, they tell me how they planned on a trip up in the north or northwest or eastern Ontario, and the first thing they did was go over to the reception centre to get their planned tour and assistance in planning their tour.

I find that the Windsor people use our centre a great deal, so certainly it would be our intention to keep that centre open the year round.

Mr. Newman: Mr. Chairman, all that goes to show how forward-looking the Windsor people are. But I would like to ask the hon. Minister how many casual employees he has in his department, under vote 2204.

Hon. Mr. Cathcart: The accountant tells me only half-a-dozen or so of casual employees.

Mr. Newman: Only half-a-dozen?

Hon. Mr. Cathcart: That is now, but in the summer time that would be increased by—

Mr. Newman: Mr. Chairman, I will rephrase my question. How many casual employees are employed during the summer months at these various tourist centres?

Hon. Mr. Cathcart: About 65.

Mr. Newman: Are there any qualifications required of them?

Hon. Mr. Cathcart: Yes; they must be attending university.

Mr. Newman: My remarks then will be that this is probably one phase of government employment that could be reserved to

individuals in, say, the over-60 category. Naturally, I will agree that a pretty girl is much nicer in there. But today, with the unemployment situation as it is, I think we should wherever possible turn our employment ideas toward individuals in a category in which they find difficulty getting employment. Here is one place where no physical labour is involved, and an individual over 60 years of age needing work certainly could do the job just as well as a young lady could.

Hon. Mr. Cathcart: We have some of them on the staff.

Mr. Newman: Mr. Chairman, I would encourage the hon. Minister to attempt to hire more of them.

Vote 2204 agreed to.

On vote 2205:

Mr. Whicher: Mr. Chairman, I want to say something here about the tours of American editors. I think for the past two years I have, on occasion, visited with these editors and writers and photographers described under this particular item, and I want to congratulate the hon. Minister on having these people come over from the United States.

I believe the majority of them are weekly newspaper men, or editors of small periodicals, and from conversations with these gentlemen I might say that they appreciate the hospitality of the province of Ontario very much. Also, I think they do an excellent job.

I know that I have personally received letters from some of these people after they have gone home, showing me some of the articles that they have written, telling their own people and giving absolutely free advertising regarding the advantages of holidays spent in the province of Ontario.

Mr. Chairman, I want to ask the hon. Minister—I know that these tours are difficult to arrange—would it be possible, instead of having just one tour that we might have two? Or if we have two now, that we might have 4 during the early part of the summer?

I make the suggestion because this is absolutely free advertising. This does not go through the regular advertising agencies; this goes through the weekly newspapers in the United States, and I think it is very commendable and has done an immense amount of good.

Hon. Mr. Cathcart: Well, I certainly want to agree with the hon. member. I feel that

the real returns we get from a newspaper or any other medium really comes from the fellow who writes the column from the heart, and says he has been over here and had a great time and enjoyed this, that and the other.

The paid advertisement is very very necessary. But I want to say that I question that we get the same return from this kind of programme. I mentioned in my speech that this is a copy; it is a proof of what will be available, in which a lot of the material which these boys have written home to their papers while they are on the tour—and then follow up with long stories after they have returned home—is in this booklet.

I had hoped that it would be off the printer's desk so that I could distribute it around to the hon. members for their own perusal. It is not; I have a proof of it but I have not got the finished product. I will, before many days, have it and it will appear on hon. members' desks.

I think in the past we have always had these printed. We sent them to town councils, to chambers of commerce, to industry, to those who have helped to entertain the United States editors on their tour.

I think we have been failing in not giving a copy to our hon. members here so that they could see the kind of a return that we do get from the United States editors' tour.

I know that we would not have any trouble in arranging for 2, 3 and 4 different tours every year. They clamour when we send these invitations; the boys over there clamour to get on the bandwagon and come over, and they really have a royal time and are very happy about it. They have a nice time because we receive full co-operation from the chambers of commerce or the towns or the municipalities—they go all out to entertain these boys when they arrive on their doorstep.

We would have a lot of difficulty showing them Ontario were it not for the full co-operation of the communities that we take them to.

Last year it was a very lengthy trip. After they returned home, like the hon. for Bruce, I received many personal letters from them, that never appear in the paper, commending us and thanking us for arranging such a tour.

It has been going on for some time, and I do think we are going to have to sit down and give some more study to it, and see where we can expand or deal with it in a broader way because the same tour has

been going on. But it takes a long time to get our editors around the total province. It is a big province.

Mr. Whicher: I want to say, at this point, that I think the hon. Minister has agreed with me completely in the fact that this is the cheapest advertising of any in The Department of Travel and Publicity.

He has said that these American editors clamour to get on the bandwagon to come over to the province of Ontario to be entertained by the department and the various municipalities and tourist organizations who are interested in these particular areas.

This prompts me to suggest strongly to the hon. Minister that, if it is within the power of himself and his staff to have a couple of tours he do so, because they are really wonderful things.

We want to get these people over here. We have a trade deficit, even as far as the tourist business is concerned, with the United States. One way in which we can break even is to get the people over there to spend a bit of money. And those American editors, when they go back to their small towns and their various county organizations, and so on, are the boys who can sell this province to the American citizens, and I do hope we can get more of them here.

Mr. Thompson: Last year I mentioned to the hon. Minister the effect of having ethnic editors—such as editors from foreign-language papers—included in this tour or some similar kind of tour. I did this because last year the hon. Minister had said that he wanted to place a greater emphasis in getting the residents in Ontario to travel around Ontario; and he was very pleased with his "know Ontario better" programme.

The hon. Minister said that he would think of my proposal and try to follow it up.

I would like to say that these editors of ethnic papers are acquainting people who are new to this country with some of our resorts. Also, their papers are going overseas to their own countries, and I think this is a double-barrelled thing. Therefore, I wonder if the hon. Minister has had a chance to include any of the ethnic editors on such a tour. Is he concentrating on that?

Hon. Mr. Cathcart: We have not invited any Canadian editors on the tour. It is a United States editors' tour, and I have just told the hon. member that we will be giving this further study.

I do not know whether we will change it or not, but we will certainly look at it as a

result of what has been said. But I see no reason for taking an ethnic editor any more than any other editor of a paper in Ontario after all.

I might say this to my hon. friend. We are now advertising, I find out—I made a mistake the other day—we are advertising in 51 ethnic papers—51. Every month an ad is going in, and I will go down with the hon. member to any ethnic editor in Toronto or in Ontario, because we advertise more through, than just in, the Toronto ethnic papers. We have gone from 28 up to 51 since we started this programme a few years ago, and I will go with the hon. member to any ethnic editor and ask him blandly whether he feels The Department of Travel and Publicity and the province of Ontario government is working fairly with him or not and see what he has to say.

I get a little tired of the hon. member; he thinks he is the only person working in support of the ethnic people. There is nobody more ethnic than I am, and who was born that way.

Mr. Thompson: I wonder if I could first of all say, Mr. Chairman, that I asked this question last year. The hon. Minister in last year's *Hansard*—

Hon. Mr. Cathcart: I made no promise to the hon. member.

Mr. Thompson: The hon. Minister said that he would consider it, and then I have this violent outburst from him when I ask the question this year. My question was not with respect to the amount of advertisements he was putting in the papers. I asked him the other day and he gave me an answer.

Hon. Mr. Cathcart: Well, I made a mistake.

Mr. Thompson: But I just want to emphasize that I can appreciate there are many complications for the hon. Minister. He has to look at a large number of factors. I am not saying that I am the only one who is interested in new people. I am certainly not; for around me sitting on this side and—I am sure—sitting on the government side, are hon. members with similar interests.

I just want to say that we have a tremendous campaign going on by tourist agencies for new citizens to go overseas for their holidays, go back to their homeland. I think we can reverse this and get them to holiday here. I think this particular medium of the ethnic press is an excellent one to do this.

I do not want to make myself out as a knight in shining armour; I am just trying to offer suggestions, and I hope that the hon. Minister will take it in that vein.

Vote 2205 agreed to.

On vote 2206:

Mr. Gisborn: I would like to ask, Mr. Chairman, if the hon. Minister will tell the House of his department's disposition of the long overdue request of the council of Stoney Creek in regard to their assistance in purchasing a piece of property to preserve the Stoney Creek battlefield park?

Hon. Mr. Cathcart: Well, I may say that this has been up before the House for a year or two, as we all know. But this is a federal historical site, and my information is that the federal government is presently working with the Stoney Creek people to work out a solution to their problem.

Mr. Gisborn: Will the hon. Minister say whether or not, if it becomes necessary for the provincial government to participate financially, they will be prepared to do so?

Hon. Mr. Cathcart: Due consideration will be given in due course. It is a federal project, a federal historical site they are dealing with, and I am certainly not going to reply to that one.

Mr. Troy: Mr. Chairman, I want to refer to two sites in my own riding. As you know, long before the lumbermen pushed their way up the Ottawa, the fur traders were busy in the wilderness areas of northern Ontario; and at the confluence of the Mattawa and the Ottawa rivers in the riding of Nipissing there was an old Hudson's Bay post.

May I ask the hon. Minister if any request has been made by the town of Mattawa, or the chamber of commerce there, for any help to assist them in establishing this post?

Hon. Mr. Cathcart: I doubt it very much; I have not heard of it anyway.

Mr. Troy: Thank you.

I read in our local paper that the town of Cobalt—all hon. members in this House know the Cobalt song "Where all the silver comes from"—for some time has been trying to get a mine museum. Has any request been made by the town, or the group that is sponsoring that project, to this department for assistance in that mine museum?

Hon. Mr. Cathcart: Well, I certainly have not heard of it; although it is possible that

a request could come in to the archaeological branch, historical branch, and they would be dealing with it. I would be glad to make a note of it because, as the hon. member knows, we have a person—Mr. James Gooding—dealing with the museums; and as I pointed out in my speech, he has been helpful to many, many communities. He would be delighted to co-operate if they are interested, because we are very much interested in museums—more and more of them.

Mr. Troy: Thank you.

Mr. R. C. Edwards: Mr. Chairman, I was somewhat in confusion as to just what the hon. Minister meant, and I am very interested in the subject which was raised by the hon. member for Wentworth East.

I wonder if the hon. Minister would tell us just what we might expect "due course" to mean. Does it mean a month, a year, or when might we expect a decision to be forthcoming?

This has been before the House, I understand, for 3 years. This is important to the people in the Hamilton area, and I should like to know whether or not a decision is likely to be forthcoming soon; or is it being delayed for an indefinite period?

Hon. Mr. Cathcart: It is not being delayed by us; it is in the hands of the federal people working with the local municipality of Stoney Creek, and I have no information in regard to that.

But I understand that the federal government recognizes it for what it is, a federal historical site; and the town of Stoney Creek officials are working with the federal government, so I would not be able to answer the question of the hon. member. I have not been sitting in on it.

Mr. R. C. Edwards: Have not representations been made to this department here?

Hon. Mr. Cathcart: Not during the past year, I do not think.

Mr. R. C. Edwards: Well, prior to that, were representations made?

Hon. Mr. Cathcart: Yes.

Mr. R. C. Edwards: Well, do I understand that the decision is not to be forthcoming from the department of the hon. Minister?

Hon. Mr. Cathcart: I am sorry; I did not hear that.

Mr. R. C. Edwards: Do I understand that the hon. Minister has not made any decision with respect to this problem then?

Hon. Mr. Cathcart: Sure. We advised the federal government that it was not within the competence of Ontario to make a grant towards it; and on that basis the federal government, recognizing that it is a federal historical site, is dealing with the local Stoney Creek people.

Mr. R. C. Edwards: Well, I was going through old press clippings, and I noted that the hon. Minister of Municipal Affairs (Mr. Warrender) some time ago undertook to bring this matter before the Cabinet. Now, do I understand that it is not within the rights of Ontario to make a contribution towards this site?

Hon. Mr. Frost: Last year we passed in this House a bill in relation to municipal parks and contributing to them. The town or village of Stoney Creek and the federal government are in negotiations at the present time. When they settle those matters, then our Act would come into play and we can contribute certain sums of money, substantial sums under that Act. They have to settle their own differences first.

Vote 2206 agreed to.

On vote 2207:

Mr. J. Trotter (Parkdale): Mr. Chairman, I would like to ask a question regarding the theatres branch. I was wondering if the hon. Minister could give us information on how many movies were screened by this branch, that is, how many were screened in 1960?

Hon. Mr. Cathcart: 485—feature films.

Mr. Trotter: Would the hon. Minister be aware if there are more films coming up from the United States that have to be screened? Is this on the increase?

Hon. Mr. Cathcart: I believe that there is more censoring done because of the kind of films that are being brought into Ontario compared to other days, so that there is more strict censoring being given. I see feature films—485; theatre inspections—2,966. This might just as well be on the record—it may be tabled in the report for all I know.

No, it is not included in that report. Theatres licensed—477; projectionists licensed—977; apprentice projectionists—61; film exchanges—28; 16 mm projectionists—94; miscellaneous special licences—23; and then the feature films censored—485.

Mr. Trotter: Mr. Chairman, in that same vein, perhaps the hon. Minister could tell us whether or not there were any films that were stopped from being shown here in the province?

Hon. Mr. Cathcart: I doubt it very much. What happens is that they censor the films and cut out certain portions, then the balance of the film is approved. Some time when the hon. member has a free moment, we will take him over to the theatres branch and run off a strip of those censored parts that have been cut out. Maybe we could arrange a meeting. The hon. member would find it of interest.

Mr. Troy: Mr. Chairman, does the department also screen films or TV shows?

Hon. Mr. Cathcart: No.

Mr. Troy: That is not within the hon. Minister's purview? What is the difference, sir, between an adult film and a restricted film?

Hon. Mr. Cathcart: An adult film is one where a young person can attend the theatre in the company of an adult. A restricted picture is one that a young person under 18 is not allowed to attend regardless.

Mr. Troy: Is the adult film limit 14 years old?

Hon. Mr. Cathcart: At the moment, it is 14. The restricted is to 18 years.

Mr. Troy: Does the department screen the advertisements in the papers?

Hon. Mr. Cathcart: That is right.

Mr. Troy: It does?

Hon. Mr. Cathcart: They are all censored.

Mr. Newman: Mr. Chairman, does this department have any control over live presentations in the various theatres? I am primarily interested in theatres. In other words, stage presentations in the various theatres in the downtown area?

Hon. Mr. Cathcart: Well, a stage presentation in a licensed theatre would come under the supervision—they would have to have the approval of the theatres branch.

Mr. Newman: Now, does that also include hotels, say, and various night clubs?

Hon. Mr. Cathcart: Oh, no.

Mr. Newman: That is not included? Now, are some of the acts shown in the various

theatres, over which the department has control, are they censored?

Hon. Mr. Cathcart: That is done by the city police, I understand.

Mr. Newman: But not by this department?

Mr. Singer: Mr. Chairman, I understood the hon. Minister to say that he controls newspaper advertising. This is something I was not aware of previously. I wonder if he could tell us how this is done. Has he a code similar to the one the hon. controller of the liquor control board (Mr. Cowling) was telling us about? Do ads have to be submitted every day; is there a big staff that does this?

Hon. Mr. Cathcart: The same staff that originally were set up some 25-odd years ago to deal with this are still dealing with it, under the directorship of Mr. Silverthorne.

Mr. Singer: Do all advertisements concerning films have to be submitted to Mr. Silverthorne before they are allowed to be published in the newspapers?

Hon. Mr. Cathcart: The advertising that appears in the papers, yes. All ads are approved by the censor of advertising.

Mr. Singer: All ads are approved by the censor of advertising?

Hon. Mr. Cathcart: Yes.

Mr. Singer: No one can advertise a film for showing unless the censor has approved the advertising?

Hon. Mr. Cathcart: That is right. The hon. member will notice in those ads "adult" and "restricted."

Mr. Singer: I have noticed those, the labelling on them—but the content, the pictures, the wording?

Hon. Mr. Cathcart: The theatres branch restrict them too, that category; not on the theatres themselves, you know.

In other words, an advertisement appears in the paper of a proposed film to be shown in a theatre. It is marked "adult," "restricted" or otherwise.

Mr. Singer: The category, but not the content of the ad. In other words, they have to put a label on it that Mr. Silverthorne or his branch approve. But whether they have a picture of 2 or 3 girls or 5 girls or horror headlines to advertise a film—does the

hon. Minister go that far? Does he tell them what wording they should use, or can use?

Hon. Mr. Cathcart: The contents of the ads are censored by the theatres branch.

Mr. Singer: The contents of the ad are?

Vote 2207 agreed to.

On vote 2208:

Mr. Thompson: Mr. Chairman, at the risk of fraying the hon. Minister's nerves by representing the people of my riding, I would like to ask another question. This is with respect to publications in the archives. What are these publications? Last year there were, I think it was, 6,000; what publications does the hon. Minister have in the archives?

Hon. Mr. Cathcart: I really do not understand the question. I do not know to what the hon. member refers.

Mr. Thompson: Under the estimates, under vote 2208—No. 5 is "Publications—\$5,000." I just wondered what kind of publications come under the archives.

Hon. Mr. Cathcart: That would relate to the publication of the thesis that we spoke of last year and which is almost completed now for publication.

Mr. Thompson: The hon. Minister did not pay anything last year on this. Was that because it was not finished and he is going to pay this year?

Hon. Mr. Cathcart: Yes.

Mr. Thompson: Thank you very much.

Mr. Whicher: Mr. Chairman, before the hon. Minister leaves, there is something that I would like to bring to his attention. I think probably it is one of the most important things. It has been mentioned this afternoon but I would like to emphasize it very much.

I refer to what the hon. member for Kenora spoke about in mentioning the fact that tourist people in his locality had been refused small business loans under the latest legislation which has been brought down by the federal government.

Now I noticed the hon. Minister shaking his head when the hon. member for Kenora was speaking. I must confess that I was shaking my head too, because I see no reason whatsoever why established tourist people, and men in the business, should not come under this particular bit of legislation.

I do not suppose there are many hon. members in this House who have had anything personally to do with this legislation as it has come down. The only thing I know about it is that the bank manager called me in and told me if I wanted to borrow any money under this that I was eligible.

As I understand it, I fail to see why a tourist establishment cannot borrow money under this legislation; I think it is a wonderful thing, one of the few things on which I agree with the Diefenbaker government.

I would strongly suggest to the hon. Minister that some of this is going to get in the papers over his estimates this afternoon. So I would ask the hon. Minister if he would contact some high bank official and see if these establishments do not qualify for it. Because personally, in Bruce county which is a great tourist area, I would like to publicize the fact that, under the terms of the legislation as laid down by the Ottawa government, they would be eligible to either add to their present business or add to the equipment—the capital expense for their equipment, for example—if it was a motel for refrigeration or for better beds or whatever it might be.

May I say to the hon. Minister that some of the things that we need in this country, as far as the tourist trade is concerned, are better quarters, better restaurants, better hotels—I am talking about the smaller areas—better motels.

Of course, an hon. member says better fishing, but unfortunately we cannot buy better fishing. But we can buy better accommodation and better meals, and in order to give these better services these small tourist establishments need more money.

I do hope that the hon. Minister will find out from the top officials of the various banks in Toronto if these people are eligible for small business loans guaranteed by the federal government. I certainly hope that they are, because that is the most important thing, to my mind, that has been said this afternoon.

Hon. Mr. Cathcart: I was shaking my head at the time the hon. member for Kenora was speaking only for this reason. He mentioned that, regardless of having a first mortgage of whatever size it might be, it would stop a man from being able to borrow money under this loans for small businesses. My understanding is that even though a resort operator—whoever he may be—has a first mortgage, that should not interfere with him getting money through the chartered banks.

That has been my understanding, and I certainly will be looking into it to find out. That is why I was shaking my head, because the hon. member was making a definite statement that if you had a \$100 first mortgage, then it would make you ineligible for any further money.

An hon. member: No, no!

Mr. Whicher: Mr. Chairman, I would say this, I do not think, as far as other business is concerned, that first or second mortgages have anything to do with it whatsoever. As I understand it, these loans are provided for qualified people who have been in the business for a certain period of time—will be up to a certain amount of money with a maximum of 6 per cent interest guaranteed by the federal government. I think these people need it more than any other—

Hon. Mr. Cathcart: I am entirely in agreement with the hon. member.

Mr. Whicher: I think the people who need these loans more than any others, as a class, are those people who operate tourist establishments in the province of Ontario.

Hon. Mr. Cathcart: I am in agreement with the hon. member. I think as he thinks, and that was why I was shaking my head because of the other statement that I doubted was correct.

Mr. Whicher: Well, will the hon. Minister let me know? Will he let me know what he finds out from these bank officials?

Hon. Mr. Cathcart: Yes, I shall be glad to.

Mr. Wintermeyer: It is too bad that the hon. member for Kenora is not here.

But my understanding of the question was simply this. These small loans do not relate to real estate expansion but to internal expansion for machinery and the like, and obviously the tourist trade is dependent upon physical expansion and, to that extent, my understanding is they are excluded.

Mr. Whicher: Well, I know this, I was offered a considerable amount of money to add to certain buildings that I have in my business and I do not see why the tourist establishments should not be able to do the same thing. One specific resort operation—which has a first mortgage at the present time—told me that they had contacted the bank to discuss the possibility of what we would consider a second mortgage, although it will not be classed as that, and they said they were having no trouble.

Mr. Wintermeyer: Mr. Chairman, this is an important matter for the tourist trade. This problem has come up time and again.

Now, would the hon. Minister take this under advisement and report to this Legislature tomorrow on this very important point?

Hon. Mr. Cathcart: I will look into it.

Mr. Wintermeyer: Tomorrow?

Hon. Mr. Cathcart: Oh, I do not know whether I will make it tomorrow, I am not sure.

Hon. Mr. Frost: My hon. friend, we will be glad to look into the matter and give the House a report at an early date. As a matter of fact, that comes under the hon. Provincial Treasurer's (Mr. Allan's) department. We would be very glad to do it tomorrow if it would be possible, although I doubt it, but we will try to do it for the hon. members across.

Mr. Singer: Mr. Chairman, I would like to revert back to the question of controlling advertising in theatres. Could the hon. Minister tell us under what section of what statute he purports to control this?

Hon. Mr. Cathcart: The theatres branch.

Mr. Singer: Pardon? I did not catch the hon. Minister's reply.

Hon. Mr. Cathcart: The Act and the regulations are there; I do not have the book in front of me.

Mr. Singer: I am sorry I did not catch the hon. Minister's answer.

Hon. Mr. Maloney: He is talking about newspaper advertising.

Mr. Singer: When the hon. Prime Minister was not here, the hon. Minister stated that he has power and does control newspaper advertising of the motion picture theatres.

An hon. member: He did not say that at all.

Mr. Singer: I was asking the hon. Minister if he could tell us under what section of what statute he does control it.

Hon. Mr. Cathcart: Under The Theatres Act of 1953. I have not got the section, but it is under The Theatres Act of 1953.

Mr. Singer: How to censor advertising?

Vote 2208 agreed to.

Hon. Mr. Frost moves that the committee of supply rise, report it has come to certain resolutions, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. F. Guindon (Glengarry): Mr. Speaker, when the rule of the clock forced me to adjourn the debate last Friday, I was speaking on a very important matter. If I may, I should like to pursue the point I was making.

As the hon. members will recall, discussing the unemployment situation in Cornwall, I said that unemployment was due to conditions over which we had very little or no control. The 3 main reasons are the following:

Firstly, the decision to send the seaway channel around the south shore of the International Rapids through United States territory, and as recently as this afternoon the hon. member for Dovercourt (Mr. Thompson) made no bones about it when he said that the Liberals masterminded the seaway. They really masterminded the seaway and they really fixed Cornwall. They have ignored us completely and totally by routing the seaway channel on the American side.

On the other hand, our government has made provisions for an all-Canadian seaway by spending \$18 million to permit the passage of boats on the Canadian side. Then the hon. members opposite, including the hon. leader of the Opposition (Mr. Wintermeyer), touring eastern Ontario, claim that our government has neglected our area.

Secondly, the completion of the seaway and Ontario Hydro project, which at the peak of the construction employed as many as 5,000 employees. Most of the workers were drawn from the local labour force, but many came from our sister provinces of Quebec and the Maritimes. Some of the families have left our city but others have remained, thus increasing the number of unemployed.

Thirdly, and most important of all, the closing of Canadian Cottons Limited, because of its inability to compete with imported

textile products. As hon. members will realize, the impact of those 3 factors would affect the economic conditions of any community.

Mr. Speaker, boundary disputes are commonplace all over the world in Asia, Africa and Europe; but boundary disputes are by no means restricted to other countries. We have in Ontario a boundary dispute of our own to which I shall refer.

The year 1967 will mark the 100th anniversary of Confederation. By and large, I think our fathers of Confederation are to be praised for their vision in drafting The British North America Act. I think they have done a most remarkable job if one considers the fantastic evolution which has taken place in our country over the years.

However, with due respect to Sir John A. Macdonald, they did overlook one thing, and that is the final disposal of the boundary line between Quebec and Ontario in Lake St. Francis. This matter, raised last year in the House of Commons, has caused a great deal of concern to our conservation clubs, our municipal officials and others.

According to rumours, proposals called for a boundary down the centre of the new seaway channel, which would mean that Ontario would relinquish control over 11 islands.

Attending a meeting on January 11, in the office of the hon. Minister of Lands and Forests (Mr. Spooner), we were given the assurance that we are not to lose control over the best fishing waters in Glengarry.

I commend the hon. Minister for trying to arrange discussions with Quebec officials to deal with the boundary in the St. Lawrence river. However, if by any chance the centre of the new seaway channel is to be used for a boundary, I should like to voice my strong opposition against any such move; and if no solution is agreeable to both parties, then I am quite prepared to let the matter stand for another century.

In closing, Mr. Speaker, I should like to oblige the hon. member for Kenora (Mr. Wren). The hon. member recommended the teaching of a second language in our schools. In keeping with his recommendation, I shall conclude my brief remarks in French:

Monsieur le Président, qu'on me permette d'abord, de réitérer ma fierté de représenter la circonscription électorale de Glengarry où le bilinguisme se pratique sur la plus haute échelle. Aussi, il me fait grandement plaisir de vous entretenir brièvement dans la langue de quelque 700,000 de nos concitoyens, et

de traiter d'un sujet qui leur cause une sérieuse inquiétude.

Les honorables membres de cette assemblée législative ont pris connaissance, sans doute, d'une résolution présentée par l'association des maires et préfets de municipalités visant la gratuité scolaire. Cette association, en effet, propose au gouvernement provincial de prendre à ses charges tous les frais de l'éducation, tant à l'échelon primaire que secondaire. Permettez-moi, M. le Président, de protester énergiquement, contre une pareille mesure.

D'abord, disons que la formule me paraît inacceptable au point de vue pratique tout en soulevant de nombreuses complications. Mais la gravité du danger se situe à un degré beaucoup plus élevé. Adopter pareille mesure serait, à mon sens, secouer notre système d'éducation jusque dans ses fibres les plus sensibles. Depuis toujours, nous reconnaissons aux parents le droit inaliénable de veiller sur la formation et l'éducation de leurs enfants. Aussi, ce droit comporte-t-il certaines obligations: entre autres, celle d'élire les représentants de leur choix sur la commission scolaire.

Que le gouvernement provincial se doive

d'alléger le fardeau des taxes scolaires dans la mesure du possible, soit, mais il n'en reste pas moins vrai que les parents ne peuvent se dérober entièrement de contribuer à l'éducation de leurs enfants. L'expérience nous a souvente fois démontré, hélas! Que celui qui paye la note finit par imposer ses vues. Qu'advviendrait-il de nos commissions scolaires ont rendu de si précieux services chez-nous? Elles ne joueraient plus que le rôle insignifiant de marionnettes que l'on fait danser à sa guise au bout d'un fil.

Le temps ne me permet pas de m'attarder davantage sur ce sujet. Cependant, j'aurai atteint mon but, si en soulevant cette question aujourd'hui, je réussis à mettre le gouvernement en garde contre une mesure que je combattrais avec force et vigueur.

Mr. A. H. Cowling (High Park) moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Tuesday, February 14, 1961
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 14, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as guests, students from the following schools: In the east gallery, Havergal college, Toronto; and in the west gallery, St. George's public school, London, and Caledonia high school, Caledonia.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's seventh report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill No. Pr37, An Act respecting the city of Hamilton.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr7, An Act respecting the board of trustees of the continuation school of the township of Pelee;

Bill No. Pr45, An Act respecting Ontario ladies' college.

Your committee would recommend that the fees less the penalties and the actual cost of printing be remitted on Bill No. Pr45, An Act respecting Ontario ladies' college.

Your committee recommends that the time for receiving reports of the private bills committee be extended to Tuesday, February 28.

Mr. Speaker: Motions.

Hon. L. M. Frost (Prime Minister): I move that when this House adjourns the present sitting thereof, it do stand adjourned until 2 o'clock on Thursday afternoon.

Motion agreed to.

Mr. D. C. MacDonald (York South): Mr. Speaker, with reference to the future business of the House, I wonder if the hon. Prime Minister feels that he is any closer to the possibility of a decision on fixed nights for night sittings.

Hon. Mr. Frost: Mr. Speaker, in relation to that, I have this week, as the hon. member knows, called for a night sitting on Tuesday and Thursday. Next week, owing to the conference on February 23, I would like to have a night session on Monday and Tuesday, probably not on Wednesday.

Mr. Speaker, last Friday I advised the House we would proceed with the estimates of The Department of Reform Institutions this Thursday. I find that owing to unforeseen circumstances, it is difficult, and in place of that item I would hope it would not inconvenience hon. members if we went ahead with the estimates of The Department of Labour instead of The Department of Reform Institutions.

It is difficult to give a pattern of night sessions beyond the date I have mentioned, that is a week from today, but it would appear there might be a possibility of a night session next Wednesday; but certainly not on Thursday and Friday of next week.

Mr. MacDonald: Shall we sit on Wednesday?

Hon. Mr. Frost: I have asked the clerk of the House about that matter. If there is sufficient committee work then this would proceed on Wednesday next with no session in the afternoon or evening. I do not want to burden the hon. members with a lot of committee work and then night sittings. I do not think it is good business. Perhaps we could so order things that there would be no night session on Wednesday if we meet in the afternoon. I think committee work is going to be light next Wednesday.

Mr. MacDonald: Mr. Speaker, permit me just one more word. I perhaps did not make my point clear. In the select committee on government organization we considered the proposition—and I believe it was their recommendation, though I would not be certain it

was in our interim report—that, instead of having night sessions bob up a last-minute decision, we fix them perhaps on the basis as in Ottawa—Monday, Tuesday and Thursday, with a fixed hour of 8 to 11, so that we know where we stand.

It means that not only hon. members of the House, but members of the press gallery and everybody else, can plan their future schedule of work.

This business of decisions on night sessions being made the night before, or even 2 or 3 days before, as the hon. Prime Minister will recognize, makes it almost impossible to do any planning in terms of evening commitments of which every hon. member has a fair number.

My question really was, after the experience that we have been going through, is the hon. Prime Minister getting any closer to the idea of saying as of now we will have nights sittings on Monday, Tuesday and Thursday, or on Tuesday and Thursday, between 8 and 11 o'clock? In that way, we will know that will be so for all the weeks to come.

Hon. Mr. Frost: Mr. Speaker, the report states that, except in cases of necessity, there shall be no night sittings on Thursdays or Fridays. As the hon. member knows, the pattern I have been following is Tuesdays and Thursdays, avoiding Mondays, Wednesdays and Fridays. We would, I think, have to make some variation of that next week and make it Monday and Tuesday; but I shall certainly keep the matter in mind. I have been trying to follow that pattern as closely as I can.

Mr. J. J. Wintermeyer (Leader of the Opposition): While we are discussing this matter of procedure, can the hon. Prime Minister advise the House when the Throne speech will be wound up?

Hon. Mr. Frost: As the hon. leader of the Opposition knows, we had planned to introduce the budget today or tomorrow. Frankly, the Throne debate does provide the opportunity for hon. members to speak on subjects that they hold to be important, and I do not think we have been wasting any time in carrying on the Throne debate in that way. In all probability, I will know more definitely next week and we can then advise the hon. leader of the Opposition.

Mr. A. J. Reaume (Essex North): Mr. Speaker, is there any set date for the budget as yet; or does the whole thing actually hinge on the meeting with Ottawa?

Hon. Mr. Frost: Well, it certainly has not been fixed yet.

Mr. Reaume: I suppose then, if the hon. Prime Minister does not get everything he wants in Ottawa, we will hold it off for a month, probably?

Hon. Mr. Frost: I do not think I will get all I want.

Mr. Reaume: We ought to have a date, Mr. Speaker; we ought to know when the budget will be brought down.

Mr. Speaker: Introduction of bills.

THE ONTARIO ANTI-DISCRIMINATION COMMISSION ACT

Hon. C. Daley moves first reading of bill intituled, "An Act to amend The Ontario Anti-Discrimination Commission Act."

Motion agreed to; first reading of the bill.

Hon. Mr. Frost: Mr. Speaker, perhaps I can give the explanation of the bill introduced by the hon. Minister of Labour, and this bill which in some ways is the companion bill.

THE FAIR ACCOMMODATION PRACTICES ACT

Hon. Mr. Frost moves first reading of bill intituled, "An Act to amend The Fair Accommodation Practices Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, I should like to give the House a little fuller explanation of this matter than perhaps is customary on first reading, due to the importance of these measures.

A few weeks ago, I received a brief from a deputation very widely representative of municipalities, churches, trade unions, welfare agencies and human rights organizations concerning discrimination in living accommodation, particularly in apartment buildings.

The organizations included the council of Metropolitan Toronto; Windsor city council; the Ontario federation of labour and the labour councils of Toronto, Hamilton, Windsor and St. Catharines; the Ontario welfare council and other welfare groups.

A number of ethnic and human rights organizations were represented, including the Canadian council of Christians and Jews, Ontario branch, and the United Nations association. The brief was supported by a number of church groups, including the

Ontario provincial council of the Catholic women's league; the Hamilton council of churches; the Toronto diocesan council for social service of the Anglican Church; the Toronto arch-diocesan council of the Catholic women's league; the Toronto presbyteries of the United Church and the Presbyterian Church; the Ontario board of evangelism and social service of the United Church.

There is no doubt that, in this realm of human rights, many developments, both at home and abroad, are deeply stirring the conscience of our people. One has only to read the sentiments contained editorially in Ontario's newspapers to observe that apartheid in South Africa is a cause of deep concern and that concern is felt over other occurrences even on our own continent. Leaders in church and university life have made very positive pronouncements. I refer to the statements made recently by such leaders as Bishop Wilkinson of the Anglican Church of Canada, Dr. Murray Ross of York University and others.

Dr. Ross's statement is perhaps typical. He told an audience recently in Convocation Hall that,

Lack of capacity to see the world feelingly is, perhaps, the greatest threat to our civilization. We stand today on the threshold of a great transition in world power.

Dr. Ross went on to say this:

Unless the western world develops the ability to know both with the mind and the heart, we will be unable to cope with this world of change.

This, undoubtedly, is the sentiment which is deeply stirring the minds of our people today. It is the reason why things which were accepted and perhaps appeared to be commonplace in other days are today becoming more unacceptable and more objectionable to a very large segment of our people, indeed to all our people.

This year, 1961, marks the one-hundredth anniversary of the outbreak of the American civil war. That great struggle, both during the time leading up to the outbreak of hostilities, which started in April of 1861, when the causes became more unreconcilable, and during the war itself, covered a period marked by an evolution in the thinking of men and the acceptance, sometimes by painful processes, of the concept of freedom which, in the end, will always prevail.

Undoubtedly, in our country and in the thoughts of people like us, there has been a great awakening to injustices which, perhaps

unthinkingly, we have permitted in other times, but which today stand out increasingly as things which should be corrected.

One of the great and heartening things of today is the British Commonwealth of Nations which, as a moral force, has been gathering unbelievable strength, newness of viewpoint and acceptance in this world. The strength of the Commonwealth is not armed might. As a matter of fact, in today's world, this has greatly diminished and, in many ways, has ceased to exist.

The Commonwealth's power is based upon moral force, arising out of the fact that it is a political organization where men and women of every race, colour and creed can come together in dignity and equality of rights. This fact is one of the great hopes for mankind in these troubled times.

After a dozen years of independence, both India and Pakistan, as republics, are members of the Commonwealth of which Her Majesty the Queen is the head and the symbol. Here, black, brown and white are partners and equals.

It is indeed inspiring to witness the great demonstration of affection which is being given Her Majesty the Queen during her current tour of those countries. This is not only for herself but also because she represents a thought which is and must be fundamental in this world—the right of men and women to freedom, human dignity and equality of opportunity, regardless of race, creed or colour.

Down through the years, that thought has been well known in Canada. Had this basic concept of human rights not been adopted and applied by our original French and English partnership, Canada could not have survived as a nation. And, as that original partnership has been enlarged and enriched by the addition of people drawn from all parts of the world, this fundamental outlook has been retained and has been responsible, in large part, for our remarkable progress as a nation.

Arising out of our people's basic belief in justice for men and women of all races and creeds, various laws have been enacted to give formal expression to our concept of human rights, to strengthen the fabric of our freedom and guarantee equality of opportunity for all, regardless of race or religion.

Seventeen years ago, in 1944, this Legislature enacted The Racial Discrimination Act, making it an offence to publish or display any notice, sign, symbol or other representation expressing racial or religious discrimination.

That was the first Act passed in this Legislature. As a matter of fact, it was passed and introduced here with some fear and misgivings; but I ask you today, Mr. Speaker, who would repeal that Act which we faced with some fears 17 years ago?

In 1950, The Labour Relations Act was amended to provide that any collective agreement which discriminates against any person in regard to race or religion is null and void. Also in 1950, The Conveyancing and Law of Property Act was amended to nullify any discriminatory covenant in the sale of land—again, sir, with misgivings which I say today have completely vanished.

In 1951, Ontario became the first jurisdiction in Canada to enact a Fair Employment Practices Act prohibiting discrimination in respect to the hiring or employment of any person.

In 1954, we brought in The Fair Accommodation Practices Act which seeks to prevent acts of discrimination in respect of services, facilities and accommodation in places to which the public is customarily admitted.

In recognition of the fact that laws by themselves will not put an end to discrimination, the Ontario anti-discrimination commission was established in 1959 with the task of developing and conducting a provincewide programme of education.

No doubt, when these steps were taken, there were some misgivings, based on a fear that such unique laws would not work. But they have worked because they are in harmony with the thinking of our people. The record of administration indicates clearly that the human rights code has won not only very wide acceptance in this province, but also is practised widely by the vast majority of our people.

In order to strengthen the educational arm of our programme, the Ontario anti-discrimination commission will be renamed the Ontario human rights commission. This name, I think, is more in keeping with the great purpose which we all have in mind. This will be in line with the positive approach to human rights which encompasses all of the people of Ontario.

In connection with apartment accommodation, we propose to take another step based on our people's traditional concept of fair play and concern for human rights. We propose to amend The Fair Accommodation Practices Act to prohibit discrimination in the renting of apartments in buildings which contain more than 6 units.

In forwarding the principles of human rights, we have, of course, been stressing education and enlightenment which, in the end, is the solution to the problem of discrimination. We have no desire, in combating discrimination, to create a feeling of discrimination among certain people which would tend to nullify this effort.

Prejudice, the thought which gives rise to acts of discrimination, is a personal thing. We can oppose it. We can educate against it. But we should not interfere with the manner in which an individual, in the light of his own conscience and as it is given to him to see the right, deals with his own personal life, except that in so dealing with it he does not offend against great public policy. I think this principle is implicit in the legislation which we passed some years ago in connection with the abolition of discriminatory covenants.

We should not interfere with the rights of people to choose their own friends and to operate their own homes as they see fit. Accordingly, we have confined this legislation, insofar as apartments are concerned, to the type of accommodation which can really be termed public accommodation. We intentionally omit the small accommodation, and that is why the limit is arbitrarily set at more than 6 apartments. This involves no interference with the life of an individual in his own home which is, after all, his castle. It involves no interference with the little person who rents rooms or flats in his own home.

This legislation is directed, instead, toward the broad area of commerce and public accommodation. This general public policy is in line with the thinking which has been accepted so widely in the evolution of our human rights code to date.

Mr. Wintermeyer: Mr. Speaker, I would ask your indulgence. My statement will be very brief. I would commend the government for this commendable move, and I am sure I speak on behalf of every hon. member in this House.

With respect to the bill itself and the particular sections of the bill—the modifications, as the hon. Prime Minister has said, are 6 in number—these can all be discussed when the bill is formally debated on second reading.

But at this time I would like to associate not only myself, but I am sure all hon. members of the Opposition and particularly my party, as supporting the principle that has been enunciated by the hon. Prime Minister.

Mr. MacDonald: Mr. Speaker, I shall not take any length of time to discuss the details. But I, too, would like to associate myself with the principle of these bills. It is precisely the principle we have been seeking to establish for the last 3 years in its wider application. I am just a little puzzled as to why it could not have happened 3 years ago, but we have learned on this side of the House to accept these developments gratefully when they do occur and we do on this occasion, too.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. W. K. Warrender moves first reading of bill intituled, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, by way of explanation, there are just two amendments here. I might say this bill and the next one will go to the committee on municipal law. In relation to this one, section 59: At present, certificates to the validity of debentures must be manually signed by the members of the board. The amendment provides that the signatures may be mechanically reproduced.

And, secondly, in respect of section 63: At present, the board must hold a public hearing in all cases to dispense with the assent of the electors. This amendment sets up the machinery to provide for the filing of objections to dispensing with the assent of the electors, and provides that where no objections are filed, or where the objections do not warrant a hearing, the board may dispense with the assent at a public hearing.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. Warrender moves first reading of bill intituled, "An Act to amend The Local Improvement Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, by way of explanation, there are a few amendments here. In respect of section 28: Under the present legislation, a reduction in a special assessment can be given to triangular or irregularly shaped lots when they are located at the junction or intersection of streets. These amendments permit a reduction in the case of corner lots located at intersections; a reduction or increase in the case of irregular lots whether or not they are located at street intersections.

And another one—the requirement that local improvement rates be levied not later than during the next year following the year in which the work is completed—is repealed. This will remove doubt as to the validity of debentures issued after such period, and will bring the provision in line with the spirit of The Local Improvement Act.

Also there is one in relation to section 67. The power to assess the cost of local improvement work on an area basis—now given to townships, towns and villages—is extended to cities.

THE PUBLIC HEALTH ACT

Hon. M. B. Dymond moves first reading of bill intituled, "An Act to amend The Public Health Act."

Motion agreed to; first reading of the bill.

He said: This is a simple amendment. Certain of our Acts—The Public Health Act and The Pharmacy Act, for instance—provide that certificates of a provincial analyst are admissible in evidence as *prima-facie* proof of its contents, thus expediting court proceedings in certain types of cases. However, no express statutory authority has heretofore existed for the appointment of provincial analysts and this amendment, we hope, will fill the gap.

Mr. Speaker: Orders of the day.

Hon. M. B. Dymond (Minister of Health): Before the orders of the day, I would like to draw to the attention of the House a very well written article which appeared on page 7 of the *Toronto Daily Star* of Saturday, February 11, 1961. It is a most startling report and one that should cause a good deal of concern, particularly to parents of young and growing children. It is entitled: "Your Child May be 'Starving' After Dinner."

It is difficult for us to accept, in this province of plenty, that last year there should have been 35 cases of scurvy, a deficiency disease, in this great city of Toronto. But the fact is there and undeniable, thoroughly documented by the writer, Roy Shields. Particularly is this difficult to accept when all that is necessary to prevent this are ordinary everyday food items—and these are neither costly nor difficult to obtain.

This sort of report is not unknown to The Department of Health. Indeed, this sort of information is constantly before us and is a matter of grave concern to us.

Recently, for instance, Dr. E. W. McHenry,

professor of nutrition at Toronto university, reported as follows:

Several years ago, an undue number of cases of infantile scurvy were reported in Toronto; knowledge regarding the prevention of scurvy has been available for many years but was not being applied by physicians and by mothers.

A survey of grade 6 children in Toronto schools in 1956 showed that 25 per cent of the children were using small amounts of milk; similar observations have been made in every Canadian province.

The Toronto children obtained in almost every case more meat than was needed to meet nutrition requirements; and meat is more expensive than milk. There has been considerable education regarding the need for calcium in the formation of teeth and bones; milk is the only important source of calcium used by Toronto children. Vitamin D is required by children for the formation of healthy teeth and bones; but the grade 6 study in Toronto showed that 64 per cent of these children received no adequate source of vitamin D.

Again, he reported:

It is essential to point out that the formation of good teeth requires adequate intake of calcium, phosphorus, vitamins C and D. There is considerable evidence that many children in Ontario are not receiving adequate intake of these 4 essential nutrients.

Mr. Speaker, we are, indeed, in a fortunate position in Ontario with regard to the adequacy of our food supplies. This means that not only do we have a sufficient quantity, but a superb range and quality of foodstuffs—foods that for appearance, taste and variety are scarcely equalled anywhere.

Thus, the problem of nutrition in this province is not a problem of supply, but one of the choice of foods bought. Our buying public have great freedom in their choice of foods, and the pattern of providing an adequate and nutritious diet is completely in their hands. The problem of good or bad nutrition is, therefore, not a fundamental question of economics, even in our low income groups. They can, if they are willing, design their food purchases to meet the fundamentals of good nutrition, even on a limited budget.

In general, the nutritional inadequacy which exists in the diet of many people in this province can be said to be their failure to buy and eat in accordance with simple nutritional rules—*Canada's Food Rules*. The fundamental foods necessary to provide a

satisfactory diet can be added to if more money is available for food purchases.

This is the message we in The Department of Health have been trying to convey to our people right along. During the past year, as an example, on 3 separate occasions at least, radio stations, television stations and newspapers—mainly weeklies—carried as a public service simple messages on nutrition to the people of Ontario. In our public exhibitions, such as the Canadian national exhibition and fall fairs, we include information and literature on this important subject wherever possible.

But in spite of all this, I am bound to repeat there is much evidence to show that the nutritional status of our population is not nearly as high as it should be or could be. Some of the nutritional problems we face relate to our pattern of living and eating.

For instance, how many children are sent to school without breakfast and given money to buy pop and ice cream on the way to school? How can we expect them to be well nourished? Many families do not see the necessity of their children going home to a well balanced, well prepared noon meal, even if they live close to the school; and we see many children buying inadequate lunches in nearby stores.

Many schools now, it is true, in an effort to combat this, provide at cost a well prepared noontime meal for those students who wish to buy it. When so many of our families develop poor nutritional patterns of diet, simply because of the likes and dislikes of the adults, we cannot expect children to be well nourished.

Many times we find children placed on restrictive diets because their parents, because of obesity, have been given reducing diets. Oftentimes, too, in these days of vigorous and mass advertising, we hear this blamed for our bad eating habits. One nutritionist recently stated:

We are obsessed with the urge to try the latest highly refined foods oftentimes to the detriment of our health.

Thus, in most cases, inadequacy of nutrition is the result of failure to take advantage of the wide range of foods available in this province.

This, then, is why we have reports, such as Professor McHenry and Roy Shields have presented, of children suffering from severe malnutrition because they do not receive a proper diet. True, these may not all be due to failure on the part of parents to provide a proper diet for their children; it

may be, too, that some parents have failed to understand the fundamentals of a good healthful diet or have little or no knowledge of what constitutes such a diet.

It is rather surprising to read that great numbers of children in Toronto, for instance, do not have enough milk or fruit or cereals or vegetables. It is even more surprising to learn how many parents fail to realize the value of well-cooked cereal such as oatmeal or the various forms of wheat, or that skimmed milk is equally good for their children and still provides the best and most readily available source of calcium.

Often we hear it said the children do not like vegetables, although the variety of these is very great all year round. Perhaps this is the trend of our times—that we eat what appears to be attractive, as if to say that packaging is the hallmark of the quality and nutritious value of the food. Attractively packaged precooked foods, of course, raise the price and, where economics are a factor, leave less to be spent on other necessities in the diet.

It is in this area, Mr. Speaker, that the provincial Department of Health has sought to be helpful. Our efforts have all been directed along the lines of education, since this is an area where we believe only education will accomplish anything really worthwhile. In the preparation of all textbook material used in the schools having to do with health, members of The Department of Health staff sit on the committee and have a voice in the subject matter decided upon. Here, we believe, some of the most effective work can be done by teaching children what foods should be eaten for health—by teaching them, for instance, that a glass of milk with bread and butter, honey, jam, and so on—or an apple—are far better for health than a bottle of pop and some candy and a good deal less expensive too, no matter how attractively it may be packaged.

On the staff of the department we have a nutritionist whose chief duty is to give counsel and assistance to public health nurses, to interested groups such as homemakers, consumer groups, women's organizations, and so on, in all matters pertaining to nutrition, using every possible means to urge parents to provide home meals which include the essentials of good nutrition. Here again, with the *Canada's Food Rules*—a copy of which is on hon. members' desks—as a basis, it is possible to demonstrate that a healthful diet does not demand highly priced, specially packaged and much advertised foodstuffs.

These food rules emphasize the essentials

for a good diet, well balanced and nutritious, and point out, too, that practically all that is required is grown here in our own province, with the exception of citrus fruits. True, these are an important source of vitamin C, essential in the prevention of scurvy, but vitamin C is available in Ontario-grown products, and oranges and lemons are available the year around although they must be imported.

This matter of educating parents is a task of formidable proportions at times. It is difficult, in these days of intensive advertising by mass communication media, to convince parents that the common everyday foods, so easily available—such as oatmeal, wheat cereal, milk, fruits and vegetables, apples, apple juice and other fruits and juices, meat, fish, poultry, eggs, cheese and butter—are best for children and adults alike from the standpoint of health. And even if this is pointed out to them as the considered opinion of leaders in the field of nutrition, the tendency often is to accept as gospel the glowing advertisements seen on every hand.

The task is very worthwhile and we do see evidence of progress. Because of this, and because it appears that our greatest contribution to better nutrition lies in education, our department will continue to provide all the help we can in this way.

We are interested in the preparation and distribution of publications dealing with nutrition. During the past several years, we have worked with other departments of government through our interdepartmental nutrition committee to raise the standard of materials available in this field.

Further evidence of progress is noted in what many schools are doing to assist. As already noted, in many areas school lunches are being provided when children must remain during the noon hour. Vitamin D supplements have been made available to some schools, and The Department of Education provides grants for a supplementary milk programme in elementary schools.

During the past decade thousands of New Canadians have entered Ontario. They come from many countries where adequate food was not available to them. Now, they are residents of Ontario and should be able to take advantage of our wonderful variety of adequate foods.

However, many still buy and eat in a similar pattern to their habits developed prior to coming to Ontario. As well, some have taken on bad food habits since coming here.

These two facts were recently brought out by a survey of the food habits of New

Canadians conducted in 1959, in Toronto, by the Toronto nutrition committee. Perhaps we should take some blame for this, since there are language difficulties. To help correct this, The Department of Health, more than a year ago, translated *Canada's Food Rules* into 8 different languages, and only recently I asked the hon. Minister of National Health and Welfare for Canada (Mr. Monteith), whose department supplies us with this literature, to consider printing these rules in the most common foreign languages, to assist those coming to our country to understand what is believed to be the best foods to eat for health.

By these methods and others that may appear from time to time to be of value, the department intends to continue its efforts to make all of our people aware of the need of good nutrition, and, also, to emphasize that poor nutrition is by no means confined to those in the lower economic groups but is also present in many of our areas of a higher economic pattern.

Hon. G. C. Wardrope (Minister of Reform Institutions): Mr. Speaker, before the orders of the day, I should like to make a statement regarding my department's plans for a reform institution in the Elliot Lake area.

Over the past several months, officials of my department and the hon. Minister of Public Works (Mr. Connell) and his staff have made a thorough survey of the facilities available in the Elliot Lake district. There were two alternatives: Build a completely new institution there, or acquire existing buildings which could be converted into an institution.

A completely new institution would cost in the neighbourhood of \$2 million to build. It would take two years from the time tenders were called to the time the first prisoners would move in.

While there would be some economic benefits to the residents of the district from the construction going on, the majority of the materials would have to be brought in from outside, in much the same way as most of the materials that have gone into the construction of the existing town and mine buildings were brought in.

The main benefits that will accrue to Elliot Lake from a reform institution being established in the area will come after the institution is in operation.

With this in mind, we found that several of the mines, which have closed down, had facilities that could be converted to house prisoners. The government has therefore

arranged a two-year lease, at \$1 per year, on extensive buildings at the abandoned Quirk Lake uranium mine pithead.

It is expected that the first prisoners and staff will move to the Elliot Lake site within the next few weeks. Eventual strength of the institution will be approximately 200 prisoners and some 60 staff.

In addition, The Department of Public Works is negotiating an option for a long-term lease of buildings at another nearby mine site which can be used as an extension of the new institution.

For \$1 per year, we are getting facilities that would cost us \$2 million to duplicate. By using existing buildings, we save the people of Ontario that \$2 million and are giving the people of Elliot Lake such benefits as may come from such an institution two years earlier than would otherwise have been the case.

Perishables and other supplies will be purchased locally for both the prisoners and the staff. I hope that we will also be able to employ Elliot Lake citizens, currently without work, on the institution staff. If such staff are not available locally, they will be brought in along with supervisory staff.

Many of these people will require housing, goods and services, all of which are available from the local community.

As every hon. member of this House is aware, there have been intensive studies going on concerning the future of Elliot Lake, ever since the announcement of the cessation of the uranium contracts was made. We all hope that it will again be possible for the uranium mines to go into peak production before too long.

However, the government of this province as usual has no intention of standing idly by while the people of Elliot Lake are going through this period of agonizing readjustment. My hon. colleague, the Minister of Municipal Affairs (Mr. Warrender), has recently made announcements dealing with financial arrangements to alleviate the strain on the taxpayers of that improvement district.

The establishment of this reform institution fulfils another pledge made by this government. It will also facilitate the fulfilling of the promise to establish a provincial park in this district. It is my belief that Elliot Lake and its hinterland can be developed as a prime tourist attraction.

Prisoners from this institution will be available, if necessary, to do rough work toward establishment of the provincial park. They will also be able to build such things as picnic

tables; barbecues and other facilities for the park.

Hon. W. K. Warrender (Minister of Municipal Affairs): Mr. Speaker, before the orders of the day I should like to make an informative statement.

During the last few years, there has been a growing interest in, and an increased emphasis on, various aspects of conservation, land use, planning and rehabilitation, regional planning and related matters by all levels of government as well as by private individuals, firms and associations.

The number of studies recently carried out on special aspects of this general field is an indication of this interest.

For some time, the various departments of this government, which have been concerned with conservation and land use, have been studying certain phases of this general field which were of particular concern to themselves and, perhaps, to closely related departments. These studies applied to particular items of interest, such as consideration as to whether certain lands would be better suited for industrial or farm purposes, or the best route for a highway in an area where the demands among alternative uses of the land were important.

The federal government has also been considering the situation from the point of view of those fields in which it is especially concerned. It, together with the provinces, has had plans under way for a "resources for tomorrow" conference which will be held in Montreal next October.

This conference, which is geared specifically to a study of "the integrated multiple use of renewable resources," is intended to provide a forum for the frank exchange of views and to obtain a better understanding of mutual interests and problems among governments, industry and non-governmental groups, concerning the objectives of renewable resources management and increased mutual understanding of responsibilities.

The province of Ontario has taken an active part in the preparations for this conference and the hon. Minister of Lands and Forests (Mr. Spooner) is the Ontario representative on the conference steering committee.

Officials of other departments, including Agriculture, Commerce and Development, Lands and Forests, and Municipal Affairs, are members of advisory groups or will be preparing background papers for the conference.

The federal government has also recently announced that it will be setting up a rural

rehabilitation programme in order to render assistance in regard to some of the problems that affect parts of rural Canada. It is understood that the provinces will be invited to participate in some aspects of this programme. Full details of this programme have not as yet been announced.

The government of Ontario has felt the need to bring together the various studies that the provincial departments have carried out during the past few years as well as more general ones such as that carried out several years ago by the committee on conservation. For this reason, and in order to enable all departments of the government to obtain a clearer picture of what will be involved for Ontario in the federal government's rural rehabilitation programme, and in the results of the "resources for tomorrow" conference, the government is setting up a special advisory committee which will study the material and reports now available in the general field of conservation and land use in order to co-ordinate them in a general report which will give a clear outline of the situation as it affects Ontario.

The members of this advisory committee will be composed of representatives of the branches of the various departments which are interested in conservation and land use, such as the Departments of Municipal Affairs, Commerce and Development, Agriculture, Highways, Lands and Forests, and Mines. The chairman and personnel of the committee will be announced a little later.

Associated in the work of this committee will be Professor E. G. Pleva, professor of geography at the University of Western Ontario. Professor Pleva will serve in an advisory capacity to the committee, and his great knowledge of the geography and land forms of Ontario, as well as his experience with planning and conservation work in this province, will be at the disposal of the committee.

The committee will be asked to have its report ready by the end of the summer so that it will be available for the government to consider by the time that the studies of the "resources for tomorrow" conference and the federal government's detailed proposals on its rural rehabilitation programme are ready. The government of Ontario will then be in a position to consider an integrated land use and conservation programme which might be applied across the province.

With this report, the government will be in a better position to evaluate the points which have been raised in the various studies which have been made in this field.

The departments concerned will also be better prepared to consider as a whole the problems related to land use and conservation policies, programmes and procedures, and better prepared to make constructive recommendations to the government for legislative changes, if such are thought to be needed.

It is expected that all aspects of the report of this committee will be ready for consideration at the next session of the Legislature.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day may I make an informative, unprovocative statement and say that it is a very great pleasure to see on the floor of the House today an old warrior of other times, Mr. George Dunbar. I may say, sir, that George looks to be in fighting trim. We have not found it necessary yet to call on reinforcements from him, but nevertheless it is nice to have him sitting in the wings of the House.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): I beg to present the following:

1. The annual report of the Ontario securities commission for the year ending December 31, 1960.
2. The annual report of the Niagara parks commission for the fiscal year ending October 31, 1960.

Mr. K. Bryden (Woodbine): Mr. Speaker, I would like to direct a question to the hon. Minister of Energy Resources (Mr. Macaulay), the contents of which I have already made available to him:

Regarding the finding made by a coroner's jury on February 9, 1961, that Northern Ontario Natural Gas Company and the contractors it employed were responsible for a gas explosion in Sudbury on January 7, 1961, in which a Miss Mary O'Connor was killed:

1. Is the government prepared to take such steps as may be necessary to ensure that all gas installation work is supervised by inspectors who are independent of the gas companies and contractors?
2. If not, what steps is the government prepared to take to ensure that gas companies and contractors discharge fully their obligation of protecting the safety of the public?

Hon. R. Macaulay (Minister of Energy Resources): I would thank the hon. member for having given me notice of this. Very much the same question was raised some days ago by the hon. member for Sudbury (Mr. Sopha) in whose riding this unfortunate accident took place.

I intend to have information available to make a statement to the House some few days from now with reference to the questions raised by the hon. members. We are in process of making certain adjustments in our policy in this connection, and I would like to have it completed before I present it to the House, which I shall do very shortly.

Mr. Speaker: Orders of the day.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to. House in committee of supply; Mr. W. E. Johnston in the chair.

ESTIMATES, DEPARTMENT OF AGRICULTURE

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Chairman, in rising to present the estimates of The Department of Agriculture, I might say that this is the fifth time I have had the honour to present the estimates of this particular department. It is very encouraging and gratifying to me this afternoon that I have had supporting statements made by two of my hon. colleagues in connection with matters which are very close to agriculture.

I refer to the statement made to the House by the hon. Minister of Health (Mr. Dymond) in which he pointed out how fortunate we are in this country where we live in a land of plenty, with food in abundance. And he paid a compliment to agriculture by pointing out that we have good food and it is available in unlimited quantities to those who partake.

The hon. Minister of Municipal Affairs (Mr. Warrender) pointed out another important programme which I feel is very timely, as he said, for two reasons, the one being the interest that the federal government has displayed in respect to the integration of the resources of this country and the conference which is being held in Montreal this fall—the "resources for tomorrow" conference—and particularly the programme recently announced by the hon. federal Minister of Agriculture (Mr. F. A. Hamilton) in connection with the rehabilitation of rural areas.

These are matters which are closely related to us, and I am sure that by having an integrated programme established, much can be done to lay the foundation and to plan our future course for the proper utilization of land in the province of Ontario.

In presenting the estimates of the department, Mr. Chairman, I do not propose to

make a lengthy statement because I presume there will be at least some discussion in connection with matters pertaining to the broad field in which we are engaged in the department throughout the province of Ontario.

I assure hon. members that I will welcome discussion, and I will at least attempt to give some brief explanation within my limited knowledge of the department itself as the discussion takes place later in the day.

An hon. member: Will the explanation be satisfactory?

Hon. Mr. Goodfellow: Mr. Chairman, it may not be; but at least I shall try to do my very best, which is all anyone can expect of a person like myself.

The crop year of 1960 proved to be a satisfactory one for the Ontario farmer. Both the gross value of agricultural production for the year and the cash income are expected to be greater than in 1959.

Cash income received by the farmer for the past year is estimated at \$895 million, which is the highest on record, being some \$28 million over the 1959 figure of \$867 million.

While it is pleasant to report that farm cash income reached a new high, it is also necessary to face the fact that the costs of goods and services required by the farmer to conduct his operation also continue to rise. While farm cash income has been fairly stable—and may even go a little higher—there is almost the certainty that operating costs will increase. If this happens, it is anticipated that net income will remain about the same.

Contributing to the increase in cash income in 1960 was a record-breaking tobacco crop, increased revenue from the sale of cattle and calves, and an upward swing in the return from poultry, eggs, fall wheat and dairy products. Ontario hogs went to market to fetch the best prices for some years, but the return to the farmer shows a net decline owing to some 14 per cent reduction in production.

Tobacco farmers enjoyed the best year in their history with the 1960 crop likely to exceed 200 million pounds. Selling for an average of 55 cents per pound, it will give a return to the growers of upwards of \$110 million.

In addition, both the 1959 and 1960 crops have been described by authorities as the highest quality, flue-cured tobacco crops ever grown in Ontario.

The outstanding improvement in the quality

of Ontario flue-cured tobacco leaf during the past 25 years is now recognized and freely admitted both at home and abroad. It is now the duty of the department and the growers to be sure to maintain and improve on our present accomplishments, so that Ontario flue-cured leaf will become the standard throughout the world for its texture, flavour and aroma.

It is interesting to note that tobacco exports for the 1960 crop year are estimated at about 40.6 million pounds, as compared to 38 million for the previous year. This may be considered a relatively small gain but, to my mind, it illustrates the growing appreciation of the Ontario tobacco crop in the overseas market.

Generally speaking, I think that we can look forward to the forthcoming crop year with some degree of optimism. While the rate of expansion in some countries has slackened, business conditions in other countries are such that a slight rise in world demand for agricultural products is expected.

The home market should be steady. Although there has been some slackening of business activity, there are indications that personal income is being maintained. It would seem that the present high level of personal spending will continue in 1961.

With 70 per cent of the Ontario farmer's income derived from the sale of livestock or livestock products, it is natural that there should be particular interest in this phase of agricultural activity.

According to experts, marketings in this field are expected to expand during the present year. Carcass gradings of hogs in Canada in the first half of this year are expected to average about 130,000 a week, which is 6 per cent lower than the same period of last year. The expectation is that prices will remain at or about the level of last year during the first part of 1961.

However, larger supplies in the fall and lower prices in the United States are expected to lower prices during the final half of the year. Marketings of beef cattle are expected to be higher this year than was the case in 1960.

It is my feeling that, as we enter this crop year, we can expect some upward trend in economic conditions.

Economists feel that we can expect surpluses of many farm products to disappear over the next few years—which will work to the benefit of our agricultural industry. I am confident that, with our industrial expansion and increased population, the consumer market will be widened.

The past year has been a particularly active one in The Department of Agriculture, and it is my feeling that much progress has been made toward the improvement of the agricultural scene.

One of the highlights of the year was the visit of the agricultural export study group to the United Kingdom and Europe. They studied ways and means of widening the sale of Ontario farm produce overseas. Already it is evident that the study of the delegation has done much to stimulate interest in the creation of new markets abroad.

It was particularly heartening to witness the interest displayed in Ontario's agricultural products at the food fair in London last fall. I am happy to inform the House that Ontario food products enjoy a very high reputation in the United Kingdom.

As was indicated in the speech from the Throne, steps have been taken to provide for the setting up of a branch of The Department of Agriculture which will concern itself with the widening of markets for Ontario farm products both at home and abroad.

The terms of reference provide for encouraging and fostering any activity which will develop additional outlets for farm production.

The closest co-operation will be given to the federal Department of Trade and Commerce and to other agencies of the Ontario government which are interested in the expansion of Ontario's overseas trade.

In addition, it is the intention to co-operate with producer marketing boards and the agricultural industry in general, in bringing to the attention of potential buyers and importers the products that are available in Ontario, and for which there is an overseas demand.

It is conceivable that the marketing development branch may have to give attention to the development of suitable packaging for export trade. Care will be exercised in quality control to ensure that only the highest grade is exported.

That, to my mind, is extremely important, for my recent visit to the United Kingdom convinced me that the Ontario producer can command a premium on a quality basis. Sometimes I am inclined to feel that we have lost sight of the great importance of quality in our agricultural production.

Over the years, the appreciation of Ontario farm produce has been based on quality production. It follows that, in this important regard, no lowering of standards must be permitted. If we are to expand our markets,

quality must be the watchword. The second-best of anything will not do in these highly competitive days.

With that in mind, the marketing development branch will make sure that funds for market research and development are used to the best advantage.

Instituted a short time ago as a pilot project, the programme of farm management courses has proved so successful, and is in such demand, that this phase of the department's activities will be greatly extended during the present year. Special emphasis will be placed on the instruction of young farmers in sound management practices.

The eager acceptance of farmers of the farm management course has been particularly gratifying. There is increasing realization that the present high cost of production makes it essential that farm efficiency be increased through business management.

The farm management programme is designed to focus attention on the business aspects of farm management through greater emphasis on accounting, budgeting and choice of enterprise. It is hoped to encourage the practical application of the results of research and increase the efficiency of the individual farm operator.

It is hoped to establish, in each county and district, an active farm management programme during the present year.

I think hon. members of the House will have more than a passing interest in the comprehensive farm accident survey that has just been completed. For some time, the department has been greatly concerned with the appalling loss of life and injury that has followed in the wake of farm operations. For this reason, steps have been taken to establish an educational programme to assist farm people in decreasing the incidence of farm accidents on Ontario farms.

In an effort to stem this tide of injury, death and economic loss, the farm safety council of Ontario was organized following the completion of the 12-month survey. The council was established with the object of strengthening and encouraging the co-operation of county and district farm safety councils; to give leadership in farm safety programmes; and to co-operate with government departments and agencies in planning, developing and expanding farm safety. All activities are directed to bringing about a safer rural community.

I am sure that the report of the accident survey which was placed on the desks of the hon. members a few days ago will bring

home to them the seriousness of the farm accident problem.

Considerable progress has been made. I am happy to report that farm safety councils have now been organized in 52 counties and districts. The organization of local councils has been under way since March 1960, being made up chiefly of representatives of local organizations.

Under the auspices of the local councils a wide variety of projects have been undertaken, all designed to educate the farm people in the importance of safety. Women's institutes are playing a very active part in emphasizing the importance of the programme.

A provisional grant of \$200 has been made to each council that has projects completed or under way. Up to the present, grants have been made to 49 out of 52 that have been organized.

It is pleasing to note that the 4-H and junior farmer clubs have taken great interest in the safety campaign.

It is my conviction that the worth of this programme will make itself evident in the year to come.

There is one other matter, Mr. Chairman, which I wish to announce at this time, and that is that the government has given consideration to a co-ordinated draining programme in the province of Ontario. At the present time, drainage comes to some extent within the jurisdiction of some 3 or 4 different departments, namely The Department of the Provincial Treasurer, The Department of Municipal Affairs and The Department of Public Works.

It is felt that there should be a co-ordination of the various drainage Acts in the province of Ontario, and with that in mind a committee is being appointed composed of representatives of the various departments, including Agriculture, all of which are concerned with drainage.

It is the intention that this committee will study the various drainage Acts and consolidate them into an Act which will be introduced at the next session of the Legislature.

Mr. F. R. Oliver (Grey South): Mr. Chairman, we have just listened to the hon. Minister of Agriculture making his annual report to the Legislature. While one could agree with much of what he said, one would not be too critical, I presume, if one just said that there were a lot of things that he did not say, and a lot of answers that he did not give,

and a lot of assurances that he might have given or should have been in a position to give the agricultural industry at this time.

He talked about markets; he talked about the expedition that went to England and Europe a few months ago to try to broaden and stabilize the market for Ontario farm products overseas.

Of course, I think all of us agree that marketing of farm products is the number one problem. The trouble with this government is that it has been in office for 17 years now, and it has just awakened, apparently, to what should have been an obvious fact—that our ability to market our products in overseas markets should be of prime concern to the people of this province and to the agricultural community.

Seventeen years after they came to power, they now say that what we should do is sell our products overseas. So they go to England and they try to induce the English to buy some of our products. That is a very worthy objective.

We sold products in the British market for many, many years in an in-and-out fashion, and I think all hon. members of this House who are farmers will appreciate that statement. Sometimes the Englishman will buy our products and at other times he will not.

The hon. Minister talked about the quality of the product and the necessity of keeping that product up to a very high standard. With that, of course, I agree. But along with quality goes price, and the Englishman is a shrewd buyer, whether it is of agricultural products or anything else, and he is going to buy his agricultural products where he can buy them the cheapest, provided all other things are equal.

I do not think we should confine our market to England, or Europe, or to anyone else. We are in a position now, as far as agriculture is concerned, when we cannot afford to be choosy. We cannot afford to be fussy about where we sell our agricultural products. I would sell them to China, I would sell them to Russia, I would sell them anywhere, so long as we can get rid of the surplus that plagues the agricultural community of this country.

This government has done nothing in 17 years to broaden the base of operations from which they could move to sell our products in the markets of the world, until a few months ago.

I suggest to the House, Mr. Chairman, that this is too little and too late.

I am going to say also that I do not believe for one moment that The Department of Agriculture of this province is fitted to sell our products in overseas markets.

They have been steeped for generations in the art of producing farm products, and they know nothing, and one could almost say they care little, about how they get rid of the products once they get them produced. Those who occupy positions in The Department of Agriculture today are trained men in the production of agricultural products, but they are babes in the woods when it comes to selling those same agricultural products.

No visit to England by a few men, for a short time, is going to sell our products there or anywhere else. The selling job today is a highly scientific operation, and it must be carried out by super-salesmen; and the hon. Minister does not have them, I am quite sure of that.

One of the prime requisites of The Department of Agriculture today is to awaken itself from the lethargy in which it has been for many years, not only to appreciate the fact that marketing is our number one problem, but to go out into the countries of the world and sell the good Ontario products.

I suggest, Mr. Chairman, that the record of this government in that regard has been, to say the least, pathetic. They have followed where they should be leading, and they have not even done that intelligently, in my opinion.

They are today in this position, it seems to me:

The hon. Minister quite readily agrees that we should be able to sell our products overseas and he has made a token effort to do that; but a token effort will not suffice. It has to be a gigantic crusade. It has to be followed up and followed up and again followed up, if we want to achieve results.

Mr. Chairman, the hon. Minister did not say very much about the domestic field. He told us he was going to co-ordinate the drainage Acts. That is fine, if he can keep the people on the farms; I mean it would be all right to get the water off, I suppose, but the main thing, it seems to me, is to devise policies that would keep the farmer on the farm. When the hon. Minister has got him on the farm, then he can come along with his drainage and so on.

I think that one could say that there has been an agricultural revolution in this province during the last decade. We talk about automation in industry; it is not confined to in-

dustry; it is present also in the agricultural industry. And, while the number of people on the farms is less today than it was 10 years ago, and will be less in the next 10 years than it is now, the record of output from that lessened population on the farms is increasing day by day; and we are rapidly, I suggest to this House, moving toward the place where the farmer of this province will either find markets for his products or else he will be taken over under a corporate control and will serve as a serf.

We are moving in that direction rapidly under this government; and this government, I suggest, is doing nothing to alter this course or to correct the situation that breeds it and gives life to it.

Not only must we sell our products overseas—and they must be quality products—but I suggest that, in order to sell our products overseas, we have to clean up our house at home. We have to make ourselves ready.

We have to put ourselves in the position where we are doing an efficient job, where we are producing articles or products of the highest quality, and where the farmers themselves appreciate the necessity of organization to the point where they and they alone will follow their products from themselves to the consumer.

That day, I suggest, is a long way off in this province, and no leadership has been given in that direction by the present government.

Now then, I do not want to be unduly critical because ordinarily I am not a critical man. But when one is faced—as we are today—with the actual realities that exist upon the farm, one cannot help but be critical. And then when one views alongside of that the sort of leadership that this government has given in this problem, one is forced to be critical, and I intend to be for the next few minutes.

I have never known farm people to be so divided as they are at the present time, to be so confused as they are at the present time and to not be aware of where they are going because of the lack of leadership of this administration.

There is no doubt, Mr. Chairman, under this government we have two farm organizations where there should only be one. I would agree that having two farm organizations serves the interests of this administration. They are glad, even though they profess otherwise, that there are two farm organizations because they can pit one against the other and confusion results.

And in confusion lies the strength of my hon. friend across the way.

Until the farmers of this province appreciate that one strong farm organization is the only medium by which they can get their just dues from any government, we will have this sort of confusion.

My hon. friend continues to say: "You should just have one organization." But he says it with a voice that is hardly audible, while underneath he is glad that there are two, because when one organization puts forth a programme which is not to his liking, the other one may do something to alleviate that feeling by confusing the issue still more.

My hon. friend, of course, benefits from that situation. But the farmer does not. And confusion reigns supreme not only among the farm people but in The Department of Agriculture.

I do not think the farmers themselves have an idea where they want to go, but they are confronted continually by the warnings, by the threats and by the lack of leadership of the hon. Minister of The Department of Agriculture.

As a result, Mr. Chairman, there is, as I say, confusion in the farm population and confusion in The Department of Agriculture.

The hon. Minister said a moment ago that we should have quality products, and with that I agree. But I feel, Mr. Chairman, so intensely on this subject that I suggest to the hon. Minister that if he wants to have the highest quality product, he should put a subsidy or bonus on high quality production.

That in itself would not increase production. But the tendency would be there to go after the higher quality. It would be an incentive to the farmer, and it would place us in an advantageous position when we went out into the markets of the world to try to sell our products.

There are two or three things that I want to say to the hon. Minister. One of them is that I think there is too great a spread—and I say this by way of an opening remark—between the price that the farmer gets for his product and what the consumer pays.

Now then, I know the hon. Minister will agree with that. But if he agrees, then I would say to him that I remember his predecessor, the late Mr. Kennedy, many years ago in this House making that same sort of statement. He was then, as the present hon. Minister is now, a member of a government with power to do something about it, and yet they do not do anything.

We go on as before with the farmer

getting 40 cents, roughly, out of the consumer dollar, while it costs him more to put a package around the carrots than the carrots are worth, and more to put the label on the can of tomatoes than the value of the tomatoes inside the can.

I suggest to you, Mr. Chairman, that one thing that we can tackle, if we had the mind to tackle it, is to try to do away—to some degree at least—with that spread between what the farmer gets and what the consumer pays. The farmer gets 40 cents out of every dollar; the consumer has to pay the full dollar. And somebody in-between—those processing interests in-between, those carriers in-between—get 60 cents when the farmer gets but 40 cents.

I think, in order to sell our products overseas, we had better do something about this first. We had better find out why it is that the farmer gets but 40 cents and the consumer has to pay a full dollar.

I wish to bring out another point along that very line. The hon. Minister—and I give him his just due for this—said a couple of years ago that he was going to inquire into this matter. He appointed a committee, some very fine men, and he set them to the task of finding out why this spread existed, and what could be done to do away with it or a portion of it. That was two years ago.

Now, I do not know whether those men are still living—I presume they are—but if they are, we have not as yet had anything from them in the form of a comprehensive report as to their activities.

The last time they reported, we had a little squib, the most meagre kind of information, from them but never a kind of report which the hon. Minister promised we would have when he stood in this House two years ago and said: "This committee, my hon. friends, will find out what is the matter with agriculture and do something about it."

It was appointed, as so many committees under this government are appointed, for an express and specific purpose, of getting the government over an obstacle on the road, of getting them past the time when an election would be held, and of saying to the farmer: "We have not done anything for 10 or 15 years, but now we promise, even if it be on our death bed, we promise that we will do something in the ensuing years."

Of course, the two years have passed. I imagine they must be making a pretty exhaustive examination of this problem. I imagine that they must have gone far afield to garner unto themselves the information required. And some day—some day in the

distant future—we will maybe hear from them when the problem that they have been examining no longer is a problem.

I submit to the hon. Minister that he bears false witness to the farmers of this province when he does a thing like that. He did it politically—

Hon. Mr. Goodfellow: Two months.

Mr. Oliver: Oh, two months! Twenty-four months! It has been 24 months since the hon. Minister stood in this House and said these things. We have been waiting for 24 months. And the hon. Minister is no nearer a solution than he was when he made the statement to the House many months ago.

He did not mention it in his speech. No mention at all. He had unlimited time when he spoke to this House this afternoon. We were quite content to listen to him, even though it may have been burdensome. We were content to listen to him expand on the problems of agriculture, yet all he did was read 2 or 3 little pages that had nothing to do with the real problem that affects the industry of agriculture.

I want to speak to this House this afternoon on another aspect of the agricultural problem having to do with marketing organizations. I do not want to get into the field of hog marketing.

An hon. member: That is a good field.

Mr. Oliver: Well, the hon. member knows me, I am just starting on this, I do not want to get into it, but it may be that I will be forced into it as time goes on. But I do want to say, as a preface, that I have no intention this afternoon of carrying the flag for Charles MacGinnes or any other person as an individual. But I have every intention of carrying the flag for those farmers in this province who, by a substantial majority vote, say they want to band themselves together through a marketing organization.

I am going to say to this House, Mr. Chairman, that we might as well recognize that principle now and give our full support to it—not our begrudging support as the hon. Minister has done through the years, but our unqualified support.

When the farmers of Ontario have evidenced the amount of interest required to attempt to reach a certain goal by the organization method, and when they say that by a substantial majority, then I would say to this House that maybe we had better recognize that they not only have rights and privileges, but that they also have respon-

sibilities. I say to hon. members that there has been unnecessary meddling on the part of The Department of Agriculture in respect to the scheme.

I want to touch only two points in respect to it. It was said by the hon. Prime Minister (Mr. Frost), as he read the reports from someone who examined the marketing agency, that the one thing they had in mind was the inadequacy—let us put it that way—of the selling methods of the organization. And he went on to say that the packers felt they were being discriminated against.

Well, quite frankly, I do not care too much whether the packers are being discriminated against or not. What I am concerned about is whether the farmers are being discriminated against. I say to my hon. friend, if there ever was a red herring drawn across a political trail, that was it.

He could not see anything wrong with the organization. He said: "Now, look, I have sent in"—I do not know what the names of these big fellows were, but they were big guns—"I have sent them in and examined everything." He also said: "Now, look, you fellows are charging 40 cents, you should only be charging 30 cents. You rascals, you have been taking too much out of the pockets of the hog producers of Ontario and from now on it will be 30 cents, and not 40."

Well, somebody woke up a few days after and made another examination; and they found out that the hog association was justified in charging 40 cents, and the government had to renege on what they did the day before and raise the price back to 40 cents.

If that is not unnecessary meddling, I do not know what it is.

The other thing I want to mention is this, and I see this in the press. They say the hog producers' association asked the government: "What do you want us to do?"

Now, I would suggest that is a pretty fair question.

The government says: "You are not doing the thing right. There are some things with which we disagree."

So the hog producers say: "What are those things and what do you want us to do?"

What is the answer of the government to that? As I see it in the press, it reads like this: "Oh, no, we will not tell you what we want you to do"—until somebody questioned them as to why they would not tell them what they wanted them to do. Then they said because they would shoot the thing all full of holes if they found out what the government wanted them to do.

I say to the hon. Minister, if the proposition is of such a flimsy character that it could be easily shot to pieces, it should never have been presented in the first place. If it was known beforehand that the proposition was going to be shot to pieces, then hon. members can take it from me that it was because of its inadequacy so far as the farm producers of this province were concerned.

It seems to me, Mr. Chairman, that now my hon. friend is in a ridiculous position in respect to the hog producers' association. I hope that they will come to some agreement; I hope he will not bludgeon them to the point where their usefulness will be curtailed—because I have an idea that maybe that is in the back of his mind.

If there comes out of this agreement a dilapidated thing, cut to pieces, and unusable so far as the producers are concerned, then from one end of this province to the other we will hold the government responsible for it. And I suggest to the hon. Minister that he will have to bear that responsibility, and that he is entitled to bear it.

Another matter that I would like to speak about for a moment has to do with what is known as FAME—the farmers' allied meat enterprises co-operative. I want to talk for just a moment about that, and to say that I read in the paper where that government emissary spoke at a meeting in Oxford, and when he was asked about FAME, he said: "It has always been the government's idea that it would be beneficial if there were 2 or 3 of these packing plants throughout the province."

And now the hon. Prime Minister, speaking in the House a few months ago, said something just a little different, which makes, I suggest, for the confusion that I talked about a little while ago.

Talking to my hon. friend from Oxford (Mr. Innes) who had asked him about FAME and who had remarked about the idea of the farmers getting together, the hon. Prime Minister is reported in *Hansard* as saying: "That is the silliest thing that anyone would ever do."

The hon. Prime Minister of the province said that; and yet Mr. Biggs goes out a few months afterwards and says, "It is the policy of the government—lo and behold, it is our policy—to allow 2 or 3 of these packing plants."

Now, faced with the injunction of the hon. Prime Minister that it is the silliest thing anyone ever heard of that the farmers should get together and do something for themselves—faced with that situation—the

farmers are up against terrific obstacles as they try to put across this idea of FAME.

All I want to say about that is that many long years ago I was in a similar campaign to this when the packing plants were organized in Barrie. Many of us, through the counties of Grey and Simcoe, put our names on the dotted line to build and to operate the first co-operative factories of Ontario—and to suggest that there was not opposition to that, is being foolish in the extreme.

Of course, the big packers did not want it; the government was not too anxious about it; and the farmers had to face this problem as they went to work on what they believed to be a partial solution of their marketing problems.

For a number of years, because there was no background for this whole matter and men were not trained to operate it properly, there were losses in respect to that plant. But now—I think the hon. Minister will agree—it is one of the finest packing plants in Ontario.

When the time comes around, as it probably will next week, I am going to support their idea to bring in other plants throughout this province, and no injunction of the hon. Prime Minister is going to stop me. In fact, I think his words would have the opposite effect on the farmers of this province. I think they will become angry enough and irritated enough by the hon. Prime Minister to go ahead and do the job. Of course, there will be obstacles, many of them. But I can see no reason why the farmers of Ontario, if they desire to do a thing, should be stopped in any way from moving forward to fulfilment of that particular matter.

In regard to paying for it, it is the farmers' own money, it is not the hon. Prime Minister's money. I do not suppose they are going to ask him to dig down—he is not a hog producer in the true sense of the word—and for him to suggest to the farmer that that is the silliest thing he has ever heard of, I would say to him that that is going pretty far even for the lawyer from Killaloe.

FAME, I would say, would be a success. In some parts of my county, not my riding, the quota has already been reached in some of the townships, and I think it will go on to a successful conclusion.

I do not think it means doing away with the big packers.

I will tell hon. members what I think it

does mean. I think it will have a levelling influence on the whole marketing situation; I think it will be a factor that will break down, to a degree at least, the combine which exists in the packinghouse business in this province.

An hon. member: Hear, hear.

Mr. Oliver: I think the farmers are justified in taking that stand, and I think the hon. Prime Minister of this province will one day rue the remarks that he made in this House in connection with that organization.

Now, I do not want to say much more, except one important thing. The hon. Minister will say it is not important, but that is an honest difference of opinion. That has to do with these boys in the hon. Minister's department running around the province, here tonight and there tomorrow night, spreading government authority, almost making threats in some instances, and generally making a nuisance of themselves as far as agricultural organizations are concerned.

I would say to you, Mr. Chairman, and to the hon. Minister, that he is the Minister of this department as far as I know. I have not heard of any change and I am not suggesting that there be one. All I want the hon. Minister to do is to revitalize himself a bit and get command of this ship, because it looks—from the outside at least—as if the hon. Minister is losing his hold. I could say to the hon. Minister that when there are announcements of government policy, he should make them.

Several hon. members: Hear, hear.

Mr. Oliver: That the hon. Minister should make them, not any Deputy Minister. The hon. Minister sits in his comfortable chair and sends these fellows out to fly kites for him. Well, now, in a responsible government the kite-flying business has lost its lure, and we are at the stage in our democratic setup where our hon. Minister should be the one who takes responsibility for emanating statutes and laws from his department.

And if the hon. Minister has not done it already, then he should do it as well, get out himself among the farmers and make those speeches that the other fellows are making at the present time.

The way it is going now, one would not know who the Minister was.

I want to say for the information of all concerned that it is not Mackay, it is not Bates, it is the hon. Minister of Agriculture who is presenting the estimates. And it is

necessary, I suggest, that that statement be made because of the confusion, the lack of authority and the lack of leadership that exists in this province in relation to agriculture.

In conclusion—and I do not say this to offend the hon. Minister—I just say this: that his department is at least 25 years behind the times—the hon. Minister has not grown up with the times. The hon. Minister has lagged behind. If the hon. Minister is going to serve agriculture on the ball it is necessary that he revamp and revitalize his department, and get it up to date with present conditions and present needs.

Mr. D. C. MacDonald (York South): Mr. Chairman, I have sustained the barbs from the dairy man who works with the farmers—or exploits them, I do not know which—up in Wiarton—about the farmer from York South. And, having sustained those barbs I shall now proceed.

Mr. Chairman, this debate so far has been a most fascinating one. In the first place, I am delighted to learn that the Liberal party has a voice on some of these controversial issues.

I am delighted and I congratulate the hon. member for Grey South for his vigorous support of the hog producers. It is rather strange because this battle has been going on now for some 3 months—one of the most violent battles that has ever been seen in rural Ontario. The hon. member for Grey South referred to voices that were so rare that they were inaudible.

I have been reading papers very carefully and I have heard no voice from Kitchener, no voice from Wiarton, I heard no voice from any other area raised on this point until today.

Well, perhaps once again, Mr. Chairman—

Interjections by several hon. members.

Mr. MacDonald: Mr. Chairman, when a battle in a democracy is being fought, it is fought out on the hustings as well as in the Legislature. The Liberals have not made up their minds until now. That is really where it is made—

Mr. J. J. Wintermeyer (Leader of the Opposition): The hon. member is fighting the battle of 1861.

Mr. MacDonald: If one put the hon. leader of the Opposition and the hon. member for Fort William (Mr. Chapple) together, and then faced them with the hon. member for

Grey South and the hon. member for Oxford he would find that the two groups cancel out in terms of policy. That is why the Liberal party has been having difficulty in making up its mind.

However, Mr. Chairman—

An hon. member: Yes, he had better put “however” in there.

Mr. Wintermeyer: I do not need the hon. member to enunciate the Liberal policy; it will be given to the hon. members in just a few moments. Let us hear what the hon. member has to say for himself, he has not said very much.

Mr. MacDonald: Mr. Chairman, I had not intended this afternoon to say a single word about Liberal policy because it is not worthy of it—and I do not propose to say anything further.

Mr. Wintermeyer: The hon. member is not going to win any votes that way. The hon. member has not solved one problem anyway.

An hon. member: What has the hon. leader of the Opposition got to contribute?

Mr. MacDonald: Now, Mr. Chairman, the other thing that interested—

An hon. member: What about the demonstration up in Timiskaming—

Interjections by hon. members.

Mr. MacDonald: I am rather interested in this farm meeting I ran away from. I shall discuss this—

An hon. member: The hon. member will discuss it right now.

Mr. MacDonald: All right, what farm meeting? What farm meeting did I run away from?

Mr. Wintermeyer: The hon. member was invited to attend a meeting in New Liskeard, where was he?

Mr. MacDonald: Mr. Chairman, I was not invited to attend any farm meeting in Timiskaming. Sorry, Mr. Chairman, I was wrong just now. I had better turn my attention to the other side of the House.

Mr. Wintermeyer: The hon. member had better stick to things he knows something about.

Mr. MacDonald: Mr. Chairman, as I look across the floor of the House, there are two

things that interest me on that side. One is that I am not surprised that the hon. Prime Minister is missing this afternoon, because he has made so many contradictory statements that cannot stand examination now in light of the facts, that it would be painful for him to be here and have to have the facts set up against his past statements. I could quite believe that his blood pressure would rise too high for his own good.

However, when the hon. member for Grey South was lambasting the hon. Minister, I must say that never in all my days have I gazed upon such an air of back-concession innocence as the hon. Minister displayed. I have no illusions at all that McCague or Biggs or many other people who may be speaking for this department are actually running the show. The man behind the scenes who is guiding, who is cracking the whip, is still the hon. Minister.

Mr. R. M. Whicher (Bruce): He means wrecking it.

Mr. MacDonald: I have no illusions on that score at all. I said a year or so ago that, next to the hon. Prime Minister, he is the cutest fox in the Tory den and he still is, Mr. Chairman.

Mr. Whicher: What is the hon. member's policy?

Mr. MacDonald: I will tell the hon. member our policy. We have been waiting for two months to hear from him—

Mr. Wintermeyer: Mr. Chairman, do I have to sit here and listen to this?

Mr. MacDonald: Mr. Chairman, do you have any sedatives to give to the hon. leader of the Opposition so that we can get him calmed down?

Mr. Wintermeyer: I do not need a sedative—just wait for a few minutes.

Mr. MacDonald: The point I wanted to make in this connection, and I make this in all seriousness, is that one of the—I was almost going to use the word “sinister”—aspects of this, is the role of the hon. Minister behind the scenes.

He is so innocent, but meanwhile he operates a ruthless Tory machine, and what he is doing to wreak havoc among farm organizations is pretty saddening to watch.

As a matter of fact, they may have voted for him in the past but we will see about the future.

Mr. Chairman, I was rather interested when I was speaking last December 1 on the Throne debate, with regard to the issue of FAME—to which I want to come back a little bit later—and I called upon the hon. Minister to do something by way of protecting the traditional rights of co-operatives.

I said that I hoped that his well-developed animosity towards the hog producers would not be such that he would not act in protecting some of the traditional rights of co-operatives.

The hon. Minister interjected, as found on page 163 of *Hansard*—here was the air of back-concession innocence at an earlier stage. Said the hon. Minister:

I have no animosity against any living soul and never have had.

You know, Mr. Chairman, a few weeks afterwards I picked up the paper, for example, when the hon. Minister had been trying to pour some oil on the troubled waters that he more than anyone else had created, and I read in the January 7 issue of the *Toronto Daily Star*, this statement:

I am not interested in the packers, in fact I developed such a violent dislike for J. F. McLean of Canada Packers I would not have lunch with him.

Now here is the hon. Minister who never held any animosity. But let us get to a more important point, Mr. Chairman. More important is his attitude towards the hog producers.

Hon. Mr. Goodfellow: He is dead now, the hon. member knows.

Mr. MacDonald: I know he is dead. I know J. S. McLean is dead.

The important thing is the hon. Minister's attitude towards the hog producers. Oh, he is innocent, he is puzzled about how he can cope with this situation. And yet when he held a press conference, the venom with which he regards the hog producers was expressed on one occasion. And it was almost printed in the papers; it was only because it was unprintable that it did not get into the papers.

It is unparliamentary, Mr. Chairman, but perhaps I can get the message across to the House when I say that the hon. Minister described the members of the hog board as being a collection of illegitimate offspring.

Hon. Mr. Goodfellow: No! Oh, no!

Mr. MacDonald: Oh, yes, the hon. Minister did, and hon. members can go back to the

back concessions of this province today, and I am astounded at the extent to which these words of the hon. Minister are being given wide distribution.

Hon. Mr. Goodfellow: The hon. member must have started that.

Mr. MacDonald: No, I did not. And the hon. Minister knows it to be true, too.

I did not intend at this point to get into the hog issue because I wanted to lead into it by what might be described as a somewhat orderly fashion. Perhaps I can go back to what I intended at the beginning of my remarks, Mr. Chairman, and that is I was interested to hear the hon. Minister state that in the past year cash from income for farmers in this province has gone up some 10 per cent.

The puzzling thing about this is, if hon. members get among the farmers they can find none of them who have the impression that their income has gone up in the past year. There is no doubt about it that the basic problem the farmers are still facing today is that of inadequate income, because the farmer is still the victim of the cost-price squeeze.

As the hon. Minister indicated, the farmer's costs are going up and his income has tended to stabilize at depression level. It may have gone up 10 per cent this past year, but it is not enough to compensate for the depressed levels of farm income that have developed since 1951. Agriculture has tended to drift along in a pocket of depression even while the rest of the economy was booming.

A year or so ago, there were some palliative measures attempted to cope with this basic problem of agriculture, namely, deficiency payments. I was rather interested to discover, when the Ontario federation of agriculture and the farmers' union came in this year with their briefs, that there was not a single word in either of their briefs about deficiency payments. Yet this issue almost completely preoccupied farmers in their general discussions and at their conventions a year or so ago.

I think the simple fact is that the long-suffering farmer is reserving judgment as to what, if any, assistance, deficiency payments are going to provide.

Overshadowing this whole basic problem of income, Mr. Chairman, during the past year has been a storm of controversy with regard to marketing.

I propose to devote my remarks at this

stage in the estimates to this question of marketing, because farm marketing today in Ontario is in a state of crisis; there is just no two ways about it. And the basic reason for it is that this government has refused to give large groups of our farm producers what they are surely entitled to, and that is effective control over the marketing of their produce so that it can be done in an orderly fashion.

Perhaps the best example of this is the milk industry. The milk industry is a very complex industry. It not only involves whole milk, but it involves cream, it involves powdered milk, it involves manufactured milk, condensed milk. Surpluses may develop at any one of the branches of this industry, spill over, and have an immediate impact on some other aspect of the industry.

Furthermore, the returns that are gained in this industry are high in some areas—higher, for example, in the whole milk as compared with cheese and some of the manufactured, or condensed, milk.

Mr. Chairman, some years ago the producers recognized that, if they were going to be able to solve the problems of this industry, they must do it as one whole, they must equalize the returns among them. Because if they did not equalize, it would mean that there would be undue surpluses in one section of the industry making it impossible to keep a stable market.

Therefore, Mr. Chairman, some 7 or 8 years ago now, the milk industry sought to establish a milk stabilization fund—a simple proposal that those who were in the economically strong position, the whole-milk industry, would put some 5 cents per hundred into a fund, and that this fund would be available to equalize the income that was being received by some of the less fortunate branches of the industry.

During these 7 years the milk producers have tried in vain to get this government, in co-operation with their political brothers in Ottawa, to provide them with what they are seeking. Now surely what they were seeking should have had the immediate co-operation of the government.

Here was a self-help programme; here was not only a self-help programme but it was a programme that had a high degree of altruism in it. Those who were in a better position in the milk industry were willing to share their higher return by the establishment of a stabilization fund to bolster those who were in an inferior position in the industry. Yet for 7 years they have not been able to get effective government action.

As far back as 1954 they came to this government, and the government expressed some interest. Then the government apparently took fright from the whole deal, ostensibly because of the constitutional problem involved in the issue. So they went through a couple of years of trying to solve the constitutional problem.

In 1956, I am told by people who were involved intimately in this, once again they appeared to have a favourable reaction from this government, yet once again the government retreated. And it was only by their efforts in connection with the administration at Ottawa that they finally were able to get this government to move and indicate its willingness to permit Ottawa to amend The Farm Products Marketing Act to make it possible for an agency to make this kind of levy. In this way they would not be guilty of an indirect tax, it would be a legitimate levy.

However, Mr. Chairman, the tragedy of the whole thing, and the puzzling thing about it, is that when they made that amendment to the Act, it was limited to "an agency or marketing board." After the amendment was made, they discovered that the whole-milk association apparently did not qualify as an agency or as a marketing board. The hon. Minister nods his head in assent.

The thing that puzzles me is this: If the intention of the government was to act at Ottawa, with the support of this government, to grant these powers to whatever branch of the industry required them, surely when they discovered that inadvertently the amendment had been so worded that it did not include the whole-milk association, it should not have taken too much time or too much effort—assuming there was goodwill and desire on the parts of the governments concerned—to have come forth with the further necessary amendment to be able to permit this kind of a stabilization fund being established.

Some 3 years now—in fact, we are going into our fourth year—have gone by and they still have not got their stabilization fund.

Last fall, the situation reached a stage of crisis as far as the cheese marketing board was concerned.

The cheese marketing board had extended their purchases to the limit of their credit. They had to borrow money from the bank to be able to take the surplus off the market, and they could not get any further credit from the bank until they had assurance that the stabilization fund was going to be established some time soon.

Therefore, the wires buzzed and great deal of pressure was put on Queen's Park, and the buck was passed between Queen's Park and Ottawa, and finally they got Queen's Park to indicate to Ottawa that they would support this kind of action once again.

I think, to give the government credit, at that late date they did make the necessary moves to clear action for Ottawa to make the changes.

However, that was some 5 or 6 months ago, and the Progressive-Conservative government at Ottawa is still doing nothing about it, so that the loans that were obtained from the bank, on the assumption that the stabilization fund was going to come into being, have created a jittery state of mind in the relationship between the cheese board and the bank.

I would repeat, without going further into the details of it, Mr. Chairman, that here are a group of producers—one of the largest and one of the most important group of producers—who have been striving for 7 years to establish a plan that would not only stabilize their returns, but that would permit sharing the returns among themselves to give some greater equality. Surely this kind of situation should have commanded the immediate co-operation of these governments instead of 7 long years of pressuring; and at the end of those 7 years they are still waiting for the necessary governmental action to be taken.

However, there is no doubt about it that, while there may be difficulties that are not capturing the headlines to the same extent as in the milk industry, the real centre of the marketing storm happens to be in the hog marketing plan.

I want to start my comment on this hog marketing problem at the moment, Mr. Chairman, by referring to a quotation from the hon. Prime Minister, March 30, 1960, to be found on page 2059 of *Hansard*. This is what the hon. Prime Minister stated at that time:

A year ago, I said to the hon. members of this House that we would emerge with the finest marketing plan in existence anywhere, and I come back about 365 days afterwards and say that is a fact.

I am going to be bold enough to say this.

I think that a year from now, the hog producers will be on the rails in this province, that they will do just as well, and that their plan—which is the first province-wide plan, fraught with all sorts of diffi-

culties—will be successful with the support of this government, which honestly and earnestly has done everything to help them. I prophesy that plan a year from now will be a success.

Well, Mr. Chairman, the year has come to an end and one would think that even the incorrigible complacency of the hon. Prime Minister must be shattered by the events that face him at the end of that year.

But he was drawing a parallel between the tobacco and the hog plan, and I think it is useful for us to look at this, because I will concede to the hon. Prime Minister that the problems in the tobacco plan have been solved, at least for the time being; but they have been solved because this government did precisely the opposite to what they have indicated that they are intent on doing in the instance of the hog plan.

What happened in the tobacco plan? The producers indicated by vote what kind of operating scheme they wanted. They set up their plan. They moved into the first year of marketing.

Then they discovered that the tobacco companies, in effect, were going to sabotage the plan—they refused to buy any tobacco.

After crisis gripped the tobacco communities—many of which were to be found down in the hon. Provincial Treasurer's (Mr. Allan's) area—the government called in the producers and the tobacco companies, and they sat here at Queen's Park, with either the hon. Prime Minister or the hon. Minister of Agriculture chairing the meeting. For a solid week, from Monday to Friday, there was an impasse, they were getting nowhere; and then something happened at the end of the week.

Well, what happened was that the tobacco companies caved in; they agreed to accept the plan, they agreed to cease sabotaging it.

Hon. Mr. Goodfellow: It was a compromise.

Mr. MacDonald: It was a very mild compromise; and the essential part of the compromise was that the tobacco companies, which refused to buy their tobacco through the plan, are now willing to buy their tobacco through the plan.

Mr. Chairman, I want to suggest to you that they did so because, after 5 days of sitting in an absolute deadlock, the government cracked the whip over them and they recognized that they had to live up to the law of this province.

Contrast that with what has happened in the hog marketing scheme. Exactly the

opposite. For years there were difficulties and disputes as to the nature of the plan. For years the packers have been trying to change the plan in accordance with their demands; and the longer this battle has gone on, the more the government has taken a stand with the packers in trying to drive down the throats of the producers the changes that the big packers want.

And if we have a storm on our hands at the moment, in contrast to the solution that came on the tobacco front, it is because the government has made a fundamentally different choice as to whom they are going to battle with, whom they are going to take sides with. They sided with the producers and forced the companies into line, in the instance of tobacco. In the instance of the hog producers they have sided with the packers and they are trying ruthlessly, relentlessly, to drive producers into line—not with too much success up until now.

As one looks back over the field, Mr. Chairman, I think it is well for us to realize a number of salient points before we get to the current year that is our immediate concern in the estimates before us now. I just want to refer to two of them.

One of them is that if we go back to the year 1951—here I invite the attention of the hon. Minister who, on a number of occasions, has referred to the conduct of the hog producers as constituting a breach of faith with regard to the provincial marketing board—let us go back to 1951 and find out what this government did.

Back in 1951, when the hog marketing scheme had been in operation some 6 years and had been relatively effective, it had been operating on the basis of negotiating a minimum price. Then, suddenly, in 1951, the packers indicated by official communication to the hog producers that henceforth they were willing to meet and to negotiate, but henceforth they would not entertain any negotiation of minimum price at all.

So the hog producers turned to the recourse they had under the law, and that was the establishment of an arbitration board. The packers refused to appoint their man to the arbitration board. Then what did this government do, Mr. Chairman? They did nothing.

What in effect the packers did was to thumb their nose at the law of the province of Ontario. That law gave the producers the right, if they were not able to negotiate a minimum price, to call for the establishment of an arbitration board. The packers thumbed their nose at the law of the province and this

government was willing to countenance this violation of the law.

Now, when the hon. Minister gets up, as he has repeatedly in the last 3 or 4 months, and indicates that the hog producers are acting illegally, or that their actions constitute a breach of faith, I invite him to go back and read that chapter of the whole battle to establish effective hog marketing in this province in 1951. There is recorded the major breach of faith in the history of this scheme so far, and it was a breach of faith on behalf of this government.

So let us move on to the important vote of 1958. This was a vote after there had been endless wrangling on the hustings, in the court, during the Legislature—on almost every front—in relation to this plan.

The government established a high requirement for the vote—66⅔ per cent. They came in with a voters' list that was almost three times the size of the voters' list that they had in 1945, some 80,000 voters instead of the roughly 30,000 voters they had in 1945.

And yet, in spite of all these major hurdles, Mr. Chairman, when the votes were counted, some 67 per cent to 68 per cent of those who voted indicated that they were in favour of the scheme.

Now, when the hon. member for Grey South asked: "When is the hon. Minister going to support the producers who have indicated their overwhelming support for the hog plan?" he has asked a very pertinent and key question. A month after that vote was over, the hon. Minister was quoted in the *Kitchener-Waterloo Record* of August 19, 1958, as saying that—"he expected the Ontario hog producers' association to hang itself; and he had hoped that it would have done so before the July 25 plebescite." Here once again is our innocent, benign, congenial hon. Minister—

Hon. Mr. Goodfellow: I did not know I was dreaming. Nobody was dreaming.

Mr. MacDonald: Still dreaming. This has been repeated to him quite a number of times and he has never been able to effectively deny that he did not make that statement. In fact, there were a lot of other statements that the hon. Minister made at that time—I will not go back to dredge up all of them—indicating a spirit of deep animosity, if not toward the hog producers, at least toward those whom the hog producers had chosen to lead their plan at the present time.

After the vote was over, and it had the 67 per cent to 68 per cent of votes indicating that the producers were in favour of it, this government then encouraged all those who wanted recounts. All these "front" organizations are made up of drovers and truckers who are financed by the packers. Oh yes, the hon. Minister did—the so-called freedom-fighters. About the only freedom they are fighting for is their freedom to have pretty intimate economic relationship with the big packers.

It reminds me of the comment that was made one time, at an Ontario federation of agriculture convention, that there are two kinds of farmers. There are those who farm and those who farm the farmers; and in this category are the so-called freedom-fighters or the free enterprisers.

The hon. Minister is always willing to play along with them instead of accepting a 68 per cent vote of the producers as a clear-cut mandate, and in effect saying to all these well-subsidized and loud-mouthed minority groups that they just do not represent the producers.

Then the government took its next step. Having got a plan which they themselves were not happy with, which the packers were not happy with, the government became the hosts to a series of meetings throughout the year 1959, in which they summoned the hog producers and the packers.

Apparently it was a little difficult to discover exactly what the purpose of these meetings was, but it became clear, the longer the meetings went on, that the purpose was that the government was trying to get the hog producers to change the plan in accordance to the persistent requests of the packers.

The hon. Minister shakes his head. What in heaven's name did he call the meetings for, if it was not this purpose?

Hon. Mr. Goodfellow: We wanted a compromise like we got in tobacco.

Mr. MacDonald: What does he mean—a compromise? The hon. Minister did not get a compromise; he is too willing to bow to the group of packers who will not accept this scheme. And the hon. Minister was willing to play along with them as they tried to undermine and to sabotage the scheme; and that is what the hon. Minister did through that whole series of meetings.

However, the hon. Minister was not successful; for once the hon. Minister had a group of farm producers who could not be

bought off by anybody, who had developed a degree of solidarity and an awareness of their own interests.

Then what did this government do? Well we found out in this Legislature just a year ago.

They moved a Bill No. 86 to create for themselves a legislative weapon with which they could bludgeon the hog producers into submission. They were so intent on doing this that they were willing to destroy what was one of the finest farm products marketing Acts in this Dominion of Canada, because they destroyed the basic principle upon which that Act must be built if it is going to be effective and serve the interests of the farmers—that is, namely, the principle of producer-controlled marketing.

However, when the hon. Minister got Bill No. 86 through—the weapon he had created for himself with the assistance of all the faithful supporters in the all-powerful majority—then the hon. Minister proceeded to implement.

The first step was the Price-Waterhouse report—that was the big name the hon. member for Grey South was trying to recapture, the Price-Waterhouse report.

Mr. Chairman, I am not going to spend very much time on an analysis of the Price-Waterhouse report.

Hon. Mr. Goodfellow: It was a good report.

Mr. MacDonald: It was a biased report. It was a report which, by a strange coincidence, documented everything that this government had been trying to promote as its ideas for some time.

Hon. Mr. Goodfellow: Where is the Stevens-Kellogg report the hog producers had prepared? Where is it?

Mr. MacDonald: Where is the report for which I have an order for return on the order paper that was prepared for the hon. Minister's department—the Carlton report that was so favourable to the hog producers that it has never seen the light of day?

Hon. Mr. Goodfellow: Is it not in? I will have it for the hon. member tomorrow. I went over it and it is a good report.

Mr. MacDonald: Is that right?

Hon. Mr. Goodfellow: I thought it had been returned.

Mr. MacDonald: There has been no indication of it being returned.

Hon. Mr. Goodfellow: A fair report.

Mr. MacDonald: We can take heart on this side of the House. On Elliot Lake and its reform institution, within 24 hours we get action. If we badger on this issue, even though it has been on the order paper for two months, we are promised action. All we need to do is become real good badgerers and we can perhaps get some action from this government.

Hon. Mr. Goodfellow: It was an oversight, I assure the hon. member.

Mr. MacDonald: Well, perhaps if some of the top officials of the hon. Minister's department were spending a little bit more time at home it would not have been an oversight, but they would have been busy out on the hustings in this battle.

However, the point I wanted to make, Mr. Chairman, is that the Price-Waterhouse report presented, in regards to the finances of the hog producers' association, a very warped and twisted view. In fact, it was so warped and twisted, as the hon. member for Grey South indicated, that they came up with the recommendation that, since the hog board was extracting far too much money from the hog producers, the service returns should be cut from 40 cents to 30 cents. The government immediately moved to put this into effect; in fact, the ink was hardly dry on the Price-Waterhouse report before the government moved.

They moved so quickly that I was interested to read that the *Rural Co-operator* in its editorial of July 12, had this to say:

In the face of such alacrity, hog producers can hardly be blamed for wondering whether the government decided on such a course of action well in advance of the report itself.

In other words, I submit that the Price-Waterhouse report was like so many Royal commission reports. It was a report designed to get the information to back up what the government wanted to contend in the first place.

It was not a careful, detailed and balanced analysis of what was going on in the hog producers' association. That was available from the audit of a very reliable company that normally does the audits for the hog producers.

But the result of the report—let us get this down closer to the present time—is that a storm of protest broke out among the hog producers. In fact a meeting was held here,

in the city of Toronto, which was reported in the *Rural Co-operator*—and when one read that issue of the *Rural Co-operator* one wondered whether the barricades were not manned.

Obviously, the animosity and the antagonism and the aroused state of the farmers was such that not for some time had there been such an outburst in the province of Ontario.

I was not surprised to learn, a few weeks later, that in face of this indignant storm, the government appeared to become more conciliatory.

The Ontario farm products marketing board called in the hog producers and sat down in a series of meetings and negotiations, at the end of which they released a joint communique in which they indicated that they had arrived at certain common ground.

Further, they announced that they had established a couple of subcommittees, one of which was going to look into the sales methods, and one of which was going to look into the transportation. Each board appointed representatives to these subcommittees—the Ontario farm marketing board and the hog producers.

The subcommittees went into action and, after two months of possible action on the part of these subcommittees—two months in which the transportation committee actually never really got down to the job because by mutual agreement they were leaving it until the fall work was over; two months in which they only started to investigate the sales method as existed let alone getting around to how it might be altered—suddenly in the dying days of the month of October the whole situation blew up.

What happened was that the chairman of the Ontario farm products marketing board had taken deep offence at a statement that had been made by the manager of the hog marketing board.

The manager, in his report to a meeting of the hog producers, held in the month of September, had reviewed a particular occasion when a certain company had indulged in the familiar tactics of the big packers of not buying at the beginning of the week, in the hope that by the end of the week there would be a glut of hogs on the market and the price would drop. They hoped that in this way they would be able to buy them at a lower price and their storage facilities would make a considerable amount of money.

But on this occasion, by Thursday, for a

variety of reasons, there were no hogs available for this packing company and so they complained.

Mr. Kohler, in his report, made these comments:

More than likely by Friday they had either complained to the government or to the farm products marketing board demanding that our selling method be changed to some method under which they could manipulate to suit themselves. I will certainly be surprised if we do not have some demand immediately from the farm products marketing board to make some changes whereby the hog producers will not be in as strong a position.

In my view, Mr. Chairman, nobody could conclude that this was a serious questioning of the integrity of the farm products marketing board. This government has many times said that it has considered altering the plan because the packers indicated it was not favourable to them, and this might have been just another occasion when the packers would have said that they were discriminated against—to use their favourite term.

The farm products marketing board chose to construe this as evidence of a challenge to their integrity, and the chairman of the board wrote the hog producers, demanding that they should give a full apology. When the hog marketing board met and considered the matter, they decided that, since the comment had been part of the manager's report and it had been discussed by the producers and the producers had adopted his report, they had no right to call for an apology from him at all. Therefore Mr. McCague—who, I presume, had some consultation with the whole of the board and conceivably with the government—took the next step by ordering arbitrarily that the two committees which had been set up with the Ontario hog producers to try to work out these problems had been unilaterally dissolved and henceforth the committees did not exist.

On the very same day—indicating the sort of concerted action there was—the hon. Minister gave a press conference. It was the first morning of the Ontario federation of agriculture convention.

And if hon. members want to hear some tough talk coming from this normally congenial hon. Minister—particularly when some of his colleagues are accusing the hog producers of tough talk—listen to the sort of thing that happened at that press conference.

As reported in the *Toronto Globe and Mail*, the hon. Minister said:

The directors of the association had repeatedly broken faith with the government in negotiations with the farm products marketing board.

That is rather a serious charge—"repeatedly broken faith." In other words, the board chairman had just cancelled these committees allegedly because of the statement that Mr. Kohler questioned the possibility of the farm products marketing board being influenced by the packers. Yet the hon. Minister, almost by way of an excuse for what Mr. McCague had done, makes this statement—that the hog producers had "repeatedly broken faith."

Further, there is a direct quote from him to the effect that "the board has been pushed around and double-crossed."

In other words, here is an hon. Minister of the Crown saying to some 80,000 producers in this province that the board they had chosen, and whose policies and actions they had endorsed repeatedly in meetings throughout this controversy, had been, in effect, pushing the board and the government around and double-crossing them.

Mr. Whicher: How does the hon. member explain that, pushing them around?

Mr. MacDonald: The hon. Minister went further; he made a statement to the effect that the government or the board had gone the last mile, whatever that means.

Mr. Whicher: The government is on its last mile.

Mr. MacDonald: The hon. member for Bruce is quick on the trigger because I think that is a most apropos comment on this last mile—he says the government may be on its last mile.

However, Mr. Chairman, the most important thing is this, that the government now has Bill No. 86 as the club with which it can bludgeon any group that is not willing to do as they demand. Moreover the ultimate goal of Bill No. 86 is that if the producers are not willing to obey the dictates of the government then the government can, in effect, put this group under trusteeship, remove completely those who are elected by the producers and put in an independent board. The hon. Minister's press conference, as reported in the *Toronto Globe and Mail* of

November 1, has this rather significant paragraph:

As a last resort, the government may set up an independent marketing board in handling the sale of hogs.

In other words, Mr. Chairman, since as far back as November 3 last year, the hon. Minister has, in effect, been saying to a group of producers in this province, "Either you do as the packers are demanding," because the demand has come from only one source, namely, the packers, "or we, in a Jimmy Hoffa fashion, are going to put you under trusteeship and will replace you with a group that will be obedient to our political demands."

That is what the hon. Minister said. He need not shake his head because it is in the record and it is to be found in many newspapers at the same time.

That was only the beginning of it. Three weeks later we had a further set of regulations whereby—talk about meddling that the hon. member for Grey South speaks of—the farm products marketing board, in effect, says to a group of producers who have decided how they want to elect their directors: "Well, you cannot do it that way. You may be grown-up men, you may be responsible citizens, but you just cannot do it that way. You have got to do it the way we want."

This is the rampant paternalism which is emerging from this government now as the basic philosophy of Bill No. 86. The government steps in and says: "Henceforth, this is how the elections within this organization are going to be held."

I just wonder what would happen to the hon. Minister of Labour (Mr. Daley) if he went in to some of the unions and meddled in their internal affairs in this province and, in effect, said to them: "This may be your constitution, as you have drawn it up, but out the window it goes. Henceforth you are going to do as I dictate."

Well, the barricades would certainly be manned.

But this is, in effect, the kind of indignity that Bill No. 86 is now legally inflicting upon a group of responsible producers in the province of Ontario.

Hon. Mr. Goodfellow: Democratic election, that is all. The board will be selected by the producers across the province.

Mr. MacDonald: It has been democratic up until now—in accordance with the wishes of the producers. There are some elections which the hon. Minister has control over that I would like to see changed, because they

are not particularly democratic. But the question is whether the hon. Minister is going to meddle or whether he is going to permit these people to act in accordance with the rules and laws that he has laid down—whether any time they want to do anything, almost up to and including blowing their nose, they have to come and ask permission. That, in effect, is the position at the moment.

Early in December we had another episode. The government called a press conference; they called the hog board down and publicly asked the board for an explanation with regard to certain transfers of payments which are made by the hog marketing board to the hog marketing association, and so on.

All the government needed to do was to get on the telephone and call where the books were and get the information. But instead, they call the hog producers down to a press conference.

They did not indicate what the purpose of the press conference was; the board did not have their books with them because they were not asked to bring them. Then they asked why and when his transfer had been made, and because they did not have the detailed factual information the government successfully conveyed the idea to the public that here is a group of irresponsible people who are in some sinister and illegal fashion misusing the funds of the hog producers. That was another little episode.

However, 3 weeks later the real axe dropped, on December 21, when the farm products marketing board issued the new regulations which launched this whole series of meetings.

Mr. Chairman, I have had a continuing interest in this hog marketing battle. But I was truly amazed when the government moved with the warnings of the hon. Minister that they were proposing to put this scheme under trusteeship; and when they moved by this very strange procedure of refusing to say to a group of producers: "This is what we think is wrong with your plan," but rather laid down a group of vague principles which must be lived up to.

And when, Mr. Chairman, these vague principles are nothing but a rewording of demands that were made to the agricultural committee's inquiry by the meat council of Canada, Ontario section—which is dominated by the big packers—so that the demands of packers 15 months ago had become the principles upon which the producers had to reshape their plan today—then I must confess that even I could not believe what was likely to happen.

So, I attended every one of the meetings that were held: on December 29, when the hog producers met with the farm products marketing board to get clarification of these orders; on January 4, when the special emergency meeting of the hog producers was held at the Seaway hotel and to which they invited the hon. Minister and his colleagues to come down; and the two subsequent meetings when the hog producers met again with the government board trying to get clarification.

The dictate they were faced with was that by January 16 they should come up with an alternative method of sale and they must be willing to implement this method of sale as by April 1. If they did not produce this alternative, the threat was clear from the hon. Minister that this scheme would be placed under trusteeship.

Mr. Chairman, if one finds the general approach of the government difficult to believe—this unfair approach of saying to a group of producers that they must change the plan that they were overwhelmingly satisfied with—my disbelief became all the greater the longer I sat through these various sessions.

I want to give this House 2 or 3 points to illustrate the kind of thing that happened.

For example, I sat there and listened to members of the Ontario farm products marketing board stating that, under the new scheme, buyers on the market would have to be licensed; and that they would have to be on the market all of the time so that they could make a bid, if they so desired, on every batch of hogs, thereby raising the prospect that the small producers will now have to do their buying through a licensed agent on the market.

And if the small producers cannot finance an agent of their own, it is possible for an agent to have a number of producers—

Hon. Mr. Goodfellow: Processors, not producers.

Mr. MacDonald: Processors, sorry—have a number of processors. This raises a very dangerous possibility of collusion; when the agent is buying, who is he buying for? This government has become deeply worried about discrimination, but how are they going to protect the producers from the discrimination that might be exercised by the agent who is buying on behalf of a number of processors?

The question that was raised by representatives of the hog marketing board and addressed to the Ontario farm products marketing board was this: "Do you believe

that competition will be maintained, that there will be the same degree of competition even if, by licensing, you reduce the number of agents from 50 to 60 down to 12 or 15?" And, Mr. Chairman, if you can believe it, I sat there and listened to representatives of the board say that they were convinced that there would be as much competition.

I have asked many people whether, in some strange way, I missed a point along the way as to how, when you reduce the number of purchasers to 15, you are going to have as much competition as you now have with 50 or 60 buyers in the market. I found nobody who can give an answer.

Hon. Mr. Goodfellow: Processors have to have hogs to keep their plants—they are going to be in there and bid for them the same as they are now.

Mr. MacDonald: Sure, they will be in there bidding; but half a dozen of them are going to have one man as an agent—

Hon. Mr. Goodfellow: It does not matter whether there are 3 or 300; there are only 7 tobacco companies buying in the province of Ontario, and yet there are 2.5 million pounds being sold every day.

Mr. MacDonald: That may be true, but it is true as argued by the hog producers' board, that if you are reducing the number of people who are going to be there, and making the bids from 50 or 60 to some 12 or 15, that there is going to be less competition.

Hon. Mr. Goodfellow: No difference; oh, no.

Mr. MacDonald: There is no doubt in the wide world that there would be less competition. And, in any case, Mr. Chairman—

Hon. Mr. Goodfellow: They will have confidence then, because they will know that if they bid the highest price they are going to get the hogs—which they do not know now.

Mr. MacDonald: Who knows? At the present time the highest bidder gets the hogs unless there happens to be an identical bid; and then, at that time, the hog marketing board may allocate them, depending on a number of factors.

Hon. Mr. Goodfellow: Does the hon. member know that?

Mr. MacDonald: Yes, I do know it.

Hon. Mr. Goodfellow: How?

Mr. MacDonald: Exactly.

Hon. Mr. Goodfellow: How?

Mr. MacDonald: Because they have related it many times before the board—related it many times to the hon. Minister.

Hon. Mr. Goodfellow: Did the hon. member see the film?

Mr. MacDonald: Sure, I have seen the film.

Hon. Mr. Goodfellow: Well, that would indicate that nobody knows what anybody did in buying hogs. One has to take somebody else's word for it.

Mr. MacDonald: This is an incredible proposition—

Hon. Mr. Goodfellow: That is right.

Mr. MacDonald: —because this little episode about the film has been raised, I believe, 6 times by the farm products marketing board; and it was explained that when they are putting out a 15-minute film they cannot put in 5 minutes that shows every stage of the buying process and end up with a film that nobody is going to be able to either pay for or be interested in looking at.

What the hon. Minister is in effect saying is that, because they have reduced the film—it did not show every single stage in the buying process—they are not giving it to the highest bidder. Now this has been explained, Mr. Chairman—

Hon. Mr. Goodfellow: Oh, no.

Mr. MacDonald: —this has been explained many times, and the hon. Minister, along with the chairman of the farm products marketing board, just simply refuses to accept what is an obviously rational explanation for the film to which he has now made reference. I think it is a matter of shame that he should bring up an issue that has been cleared and cleared many times.

Hon. Mr. Goodfellow: Why did they discontinue showing the film after the hon. member discovered the weakness?

Mr. MacDonald: Oh, after the hon. Minister's people had gone out and done a very effective job to undermine this film, and had complained about it, they were willing to co-operate with the department and not show the thing.

Interjections by hon. members.

Mr. MacDonald: However, Mr. Chairman, before I leave this point, I just want to draw this to the attention of the hon. Minister.

The hon. Minister is desperately fearful—he and all his friends from the packers through to the farm products marketing board—they are desperately fearful that there is discrimination involved in who is going to allocate the purchases at the present time if there happen to be identical bids. And yet the hon. Minister does not indicate one degree of concern at all about a new scheme he is seeking to impose where one man can be a licensee for half-a-dozen processors and it will rest with him as to whom he makes the allocations.

Mr. Whicher: How does the hon. Minister explain that?

Mr. MacDonald: How are we going to avoid discrimination on the basis of this man who can—

Hon. Mr. Goodfellow: Mr. Chairman, there is nothing new about having an agent to purchase for you. If they do not want to set up a telephone system themselves, if they feel it is going to cost them too much, then it is nothing new to buy through an agent; it is done on the stock market all the time.

Mr. MacDonald: Mr. Chairman, it is rather sickening that the hon. Minister can get up here and utter this outworn argument that the hog producers are not willing to set up a telephone system. The hog producers, at 2 or 3 meetings, have indicated that they are willing to set up a recording on a telephone system.

Hon. Mr. Goodfellow: Not a teletype system that records?

Mr. MacDonald: Not the teletype system, but a recording on the basis of telephone conversations.

Mr. Whicher: Well, what is wrong with that?

Mr. MacDonald: There is nothing wrong with that, except that this government is determined to—

Hon. Mr. Goodfellow: Mr. Chairman, all that we ask for is that there be a permanent record through some system and that the records be kept of those conversations for one year.

Mr. MacDonald: Exactly. Nothing wrong with it—at the present time there is a

permanent record, except for any conversation which may take place on the phone—

Hon. Mr. Goodfellow: That is right.

Mr. MacDonald: —and the hog marketing board has indicated that it is willing to use such devices that are necessary for full recording, and the farm products marketing board, at the hon. Minister's dictate—

Hon. Mr. Goodfellow: That is what we have asked for but they have never agreed to that.

Mr. MacDonald: They have. They have indicated their willingness at the meetings.

Mr. Whicher: They will agree to it tomorrow morning.

Mr. MacDonald: They have indicated that they are willing to agree to it—

Hon. Mr. Goodfellow: We are all for it.

Mr. MacDonald: —because the hon. Minister is not willing to achieve any effective compromise. He will not accept it.

But let us not get bogged down in this because there are other even more important things.

One of the main objectives of this new scheme is that there shall be established some form of auction. Now, last spring, the hon. Minister may recall that he himself went on record—I believe it was in a radio programme—as saying that he was opposed to auction. Yet here we have a scheme that is being imposed on the people, if I may quote one member of the board, who says: “It is aimed to establish auction.” That is a direct quote that I took down.

Hon. Mr. Goodfellow: No, not necessarily an auction.

Mr. MacDonald: “Not necessarily an auction but a form of auction.” Another direct quote that I took down in my own personal notes was the claim of the hog board that the new system proposed would open the door to a greater degree of collusion. Because, Mr. Chairman, when you have an auction scheme, the essence of auction is that the buyer is in control of the situation. If you open the door to the buyers getting together and establishing some degree of collusion, you are right back into the position in the market before the hog producers' marketing plan was set up.

It was suggested, for example, by the board many times that their objective is to

meet the interests of the producer. This is their overall objective. So the hog marketing spokesman said to them: “What happens if collusion emerges among some of the processors, or the suspicion of collusion?”

The almost spontaneous reaction from the chairman of the board was: “Well, if there is a suggestion of collusion, there is an organization set up in Canada to deal with collusion. This is the combines investigation commission in Ottawa.”

Can hon. members imagine anything more ludicrous than the proposition that a group of producers who, by years of effort have eliminated collusion among the packers, now face the prospect of the restoration of collusion by this proposal that the government is trying to impose upon them, being told by the Ontario farm marketing board: “If you think collusion emerges again, go up to the combines investigation commission in Ottawa?”

And the chairman of the board turned to Mr. Caskey, the solicitor, and said: “Is that right?” Mr. Caskey agreed. The hon. Minister nods agreement.

Hon. Mr. Goodfellow: I might say, Mr. Chairman, that the dairy commissioner last year had a call before the combines authority at Ottawa for trying to assist the milk producers.

Mr. MacDonald: Let me say this, Mr. Chairman, that there was one member of the board who at least had some greater appreciation of what his responsibility was for protecting the interests of the producer. He sat there silently while the chairman said that, if there is collusion, the producer must use the cumbersome and slow-moving board in Ottawa and then he intervened suddenly and he said, “Now, just wait a minute.”

I am talking about Hugh Bailey. He intervened and said: “I am not so certain about this, because if the interests of the producers are our main objective, collusion is going to influence the interest of the producer, and it is our responsibility to intervene.” Here we had a perfect example of the attitude of this board with the chairman and solicitor suggesting that the producer had to go up to Ottawa to clear up any collusion that might be created by the new marketing scheme, but with one member of the marketing board at least offering some objection.

However, let me give another example of what went on in these unbelievable hearings.

One of the new requirements in the regulations is that if the hog producers are going to spend any money—for example, on a publication—they must come cap in hand, so to speak, to the provincial board and get their permission before they can spend this money. This is what is established now in Bill No. 86; the board imposes these demands legally, because the hon. members of this House enthroned tyranny in Bill No. 86 a year ago.

Hon. L. M. Frost (Prime Minister): The hon. members opposite talked about Bill No. 86 and now it has turned out to be a wonderful thing.

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, can you contain the echoes from Killaloe, because I did want to give one example to show what a wonderful piece of legislation this is. The hog producers said: "In the light of these new regulations, what are we going to do with regard to the next issue of our publication, *The Market Place*? Have we got to come down with the copy and get your permission before we can publish it?"

Mr. Whicher: "Please, Dad."

Mr. MacDonald: Yes, "Please, Daddy" sort of style. And the members of the board said: "Oh, you would not have to do that as long as you make it constructive and fair."

Somebody on the hog marketing board said: "Well, suppose we criticize the regulations you just put out, would that be constructive and fair?"

And immediately the response came back: "Oh, no, you do not need to do that, just make it constructive and fair."

Mr. Chairman, this is a wholly unreasonable proposition. What, in effect, you have here is that this government is saying to a group of producers who are financing a publication with their own money, "You cannot publish your own publication unless you come to us and get permission, unless you bring it down and indicate what you are going to put into it, because if you put into it anything that is going to be critical of us, then we will cancel your right to use those funds."

This is the kind of legislation that the hon. Prime Minister is sold on.

Hon. Mr. Frost: I think it is wonderful.

Mr. MacDonald: I submit to you, Mr. Chairman, that this is an incredible proposi-

tion for the Dominion of Canada, under a Tory government, or any kind of a government, that they should be establishing not only a control over the financing of a voluntary organization which should have the right to look after its own financing, but that they should, in effect, be saying that the organization has got to come down and get permission to spend that money, or else the government is going to cut off their paper altogether—cut it off if it is going to be critical of the government.

This is the kind of political censorship that I think is just absolutely inexcusable, and it flows directly from Bill No. 86 of which the hon. Prime Minister is so proud.

Hon. Mr. Frost: Let me ask the hon. member this, since he is very eloquent and very forceful:

Why is it that the federation of agriculture and the farmers' union, two provincewide organizations, say nothing of the sort about this? Why is it that the hon. member, coming from York South, who probably knows very little about farming, and the ways of farmers—I think that is true when I see him around the country—

Mr. MacDonald: Is that a question—

Hon. Mr. Frost: I asked the hon. member this question, why does the farmers' union and the federation of agriculture—

Mr. MacDonald: I will answer it. I was very interested as to why this was the case.

Hon. Mr. Frost: It is the case.

Mr. MacDonald: Will the hon. Prime Minister listen while I answer it, or is he going to babble on the banks of Killaloe so nobody else can talk in this House except himself?

Hon. J. A. Maloney (Minister of Mines): If the hon. member was as good as the people in Killaloe he would have something to stand up and talk about.

Interjection by an hon. member.

Hon. Mr. Maloney: I am close enough that they call me their own, anyway, as the votes will indicate when the next election comes around.

Mr. MacDonald: Mr. Chairman, before the supper hour, I at least want to answer the hon. Prime Minister's question. He is right

that neither of the organizations came in and made any comment, and I asked each of them why when they came with their delegation to discuss their brief with the CCF caucus.

In the instance of the Ontario federation of agriculture I got this reply, that some of their constituent organizations are strongly opposed to Bill No. 86, that others are more content to live with it, and—

Hon. Mr. Frost: Some are very much in favour of it.

Mr. MacDonald: And some may be in favour of it. Some of them are so loaded with Tories that they accept the government's legislation.

Interjection by an hon. member.

Mr. MacDonald: Now, I will tell the hon. Prime Minister about the farmers' union. I pointed out to the farmers' union that last year they came before us and said that they were willing to go along with Bill No. 86 if it was amended so that these arbitrary powers would be exercised only in the event of a scheme being voted out—instead of giving the government powers to be used when it pleased, as it pleased, in accordance with political whims. The government did not make that amendment because it voted it down when the CCF made it in this House.

Hon. Mr. Frost: Look in the brief. The hon. member has not found what we have been doing.

Mr. MacDonald: Mr. Chairman, can you silence him?

I suppose in the nature of things your political future would be prejudiced with the hon. Prime Minister if you tried to, but

I think the rules of the House should be upheld.

Interjections by hon. members.

Mr. MacDonald: My final comment to the hon. Prime Minister is that the head of the Ontario farmers' union delegation turned to the rest of his delegation and said: "As a matter of fact we discussed this and inadvertently we did not—

Hon. Mr. Frost: Now, now. Why, really.

Mr. MacDonald: If the hon. Prime Minister says that I am not telling the truth I shall write to the delegation of the Ontario farmers' union who were in my office and get their confirmation of the fact that we raised this with them. And I will read it in this House.

Hon. Mr. Frost: I may take and read their brief here during the course of the evening.

Mr. MacDonald: Exactly. If the hon. Prime Minister wants me to sum up the answer to his question, and if he wants to prolong my remarks from now till midnight, just go ahead, because I will be here at midnight.

Hon. Mr. Maloney: There will not be anybody here to listen to the hon. member.

Mr. MacDonald: Well, that is fine.

Hon. Mr. Frost: I would say to the hon. member there was a delegation—now it was not quite as large as the membership of this House, but it was a large one—and I can assure the hon. member they did not forget anything.

It being 6 of the clock, p.m., the House took recess.



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 14, 1961

8 O'CLOCK P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF AGRICULTURE

(Continued)

Mr. D. C. MacDonald (York South): Mr. Chairman, at the 6 o'clock recess I was dealing with an assortment of points which had emerged in the various sessions held by the hog producers' marketing board and the farm products marketing board. I am a little fearful that some of those points got lost in the crossfire.

I shall not attempt to rescue them, but there are two remaining ones that I do want to touch on.

One is—and the hon. Minister of Agriculture (Mr. Goodfellow) I am sure will agree with me—that he and his colleagues on the boards and in the department have insisted very emphatically that there must be a change in the sales method. This is the problem. He has repeated it on many, many occasions, including the meetings with the hog producers, and at a special meeting down at the Seaway hotel.

That being the case, Mr. Chairman, there must be a change in the sales method. I am just a little curious as to why another of his colleagues, namely, Mr. Biggs, when speaking at Brantford on February 6 to the county meeting of the hog producers there—and I understand again yesterday in Lanark, he said essentially the same thing—is quoted as follows in the Canadian Press dispatch:

Everett Biggs, Ontario's assistant Deputy Minister of Agriculture, said Saturday the present misunderstanding between the hog producers and the Ontario government springs not from the present hog sales method but from the hog producers' attitude towards the responsibility of the marketing plan.

So here we have the assistant Deputy Minister in charge of marketing, in effect, going around to the producers now and saying that the problem is not in the sales method basic-

ally, that it is in the attitude of the leadership of the scheme, which presumably is not responsible. In fact, the next paragraph continues:

He told the annual meeting of the Oxford county hog producers' association that the responsibility of the hog marketing plan under the farm products marketing board must be accepted.

The obvious question that arises, in the light of Bill No. 86 which is the pride and joy of the hon. Prime Minister (Mr. Frost), is what responsibility has the producer got for marketing when he has in fact been deprived of all right to responsibility?

The responsibility now for the decisions, even down to the detailed level, rests with the Ontario farm products marketing board. The producers cannot move unless they go back and get prior permission from the board, so that it seems to me that the government, in its attitude, is beginning to contradict itself.

However, I think maybe the key issue in this whole conflict emerged toward the end of that most interesting day at the Seaway hotel when the hon. Minister, and the chairman of the board, and assistant Deputy Minister in charge of marketing, were called down and presented their views to the producers, and then the producers started asking a few questions.

At the end of the day one of the producers—if I recall his name correctly, I think it was Emerson Crocker from the Middlesex area—made essentially this point. He said that discrimination means different things to different people.

Now what the government seems to be disturbed about, and what the farm products marketing board seems to be disturbed about, is that the present method of sales results in discrimination against the packers; but, said this delegate, let us recall that the whole hog marketing scheme has come into existence and has been produced—if I may borrow that famous phrase—through the blood, sweat and tears of the producers down through the last 15 or 20 years, precisely because the producer was the victim of discrimination on the part of the packers. Furthermore, the producers today are persuaded that if this

scheme is changed along the lines that the farm products marketing board now insists that it must be changed, it is going to open the door once again to the packers being able to discriminate against the producers, and equally for the big packers to be able to discriminate against the medium- and small-sized packers.

So it is a case of whose ox is going to be gored, against whom is the discrimination going to be?

The producers are persuaded that if there is any change in the scheme, it is they who are going to be the victims of renewed discrimination along with the small packers; and apparently the government is far more preoccupied or disturbed by the current discrimination against the packers.

That was, I think, a very succinct presentation of the basic cleavage in views.

At the end of it, Mr. Crocker said the government—and particularly the hon. Minister and his colleagues—have suggested on many occasions that it is the producers who are really a fine bunch of fellows, that it is their leaders who are misleading them.

Mr. Crocker held a bit of a straw vote and he said: "I want everybody here who is in favour of the present marketing scheme without any changes, those who are in favour of it, to rise." And there was what appeared to be a mass standing of the delegates.

Then he said: "Sit down. Those opposed to the present marketing scheme, rise." There was not a single delegate in the hall who rose.

Whether there may have been minor misgivings on the part of some of them, not a single delegate rose.

Now I hope, Mr. Chairman, that has laid low, forever and a day, the myth that the government has been so assiduously propagating; namely, that the leaders in the hog marketing board were really misleading the producers, and that the producers were not backing their board.

All of this finally led up to the last of these negotiating meetings between the boards which was held on January 16, the day which had been set as the deadline on which the hog marketing board would have to come up with an alternative sales method.

For 3 weeks—closer to a month, as a matter of fact—there had been an absolute deadlock. I have never seen a better case in public life of the irresistible force being confronted by the immovable object. The provincial board was demanding a change in light of the principles that they had laid

down; the producers were saying: "We are happy with what we have got."

The hon. Minister and the packers are the only people who apparently are unhappy; if they want a change, surely the obligation is on them to suggest the change. And the argument had gone on interminably, the old straws had been threshed over so many times that it was little short of painful.

Then a very interesting thing happened. Towards the end of this meeting, when the chairman of the board was insisting on threshing over a bit of old straw once again with Mr. McInnis, one of the members of the provincial board, namely, Cliff Magone, interjected in protest: "This is old straw; what is the point of going over this again?"

And when the argument persisted, Mr. Magone rose and said: "Well, I've had enough of this, I'm leaving."

The significant thing, Mr. Chairman, that only at that point—after one month of negotiations, when the producers had pleaded interminably to set up some sort of a joint committee so that they could examine the various proposals that were being made for altering the plan—only at that point, when the Ontario farm products marketing board was threatening to blow up and one of their members was going to walk out, did the chairman of the board say: "Well, sit down, Cliff," and then he said to the hog producers: "Well, if you will be sincere and if there is no binding commitment on either of our boards, I will be willing to have a committee which can sit down and work this out."

So, at that point, they agreed to set up a committee.

Now the significant thing that we should recall is this: that it was the same chairman of the Ontario farm products marketing board who had two months earlier, by unilateral action scuttled the committees which had been set up in the summertime to deal with precisely the same problem—the sales methods. They scuttled it because of their pique at this statement of Mr. Kohler.

So when I listened to the comments that were repeated so many times, by spokesmen for the government, that the hog producers were not willing to co-operate, they were refusing to co-operate, and when I sat and watched the Ontario farm products marketing board go through literally hours of blood-sweating negotiations and refuse to set up a committee to come to grips with it, I can come to no other conclusion than that the refusal to co-operate did not emanate from the hog producers.

It was emanating from this government which is operating on directives, the ultimate objective of which are, if they cannot whip these people into line, they are going to put them under trusteeship and set up an independent board.

What is equally significant, Mr. Chairman, is that when the Ontario farm products marketing board finally capitulated—because I think their action certainly was construed by some of the papers as being capitulation—and set up a committee to renew negotiations on a mutually satisfactory sales method, then two days later, once again an order was either issued from the farm products marketing board, or it was sent as a letter to the hog producers' marketing board, reaffirming the fact that as of April 1 there must be a new scheme put into effect for all of the compulsory powers that the board now says are going to be withdrawn.

In other words, after asking for sincerity and good faith in the revocation of negotiations, and setting up a committee, they then issue a directive 48 hours later, prejudging the situation and, in effect, establishing a situation so that this committee has to operate with a club over its head to obey the dictate of the government—no matter what, in their wisdom, this committee may finally decide it should do.

This leads me once again to wonder where the bad faith is, and what the intentions are as far as the government is concerned.

However, Mr. Chairman, I think this whole thing was rather interestingly thrown into focus by an open letter that was sent to the Ontario farm products marketing board on January 3 by 8 well-known farm leaders in the province of Ontario. Before I refer to the letter I just want to read the names of these farm leaders.

It was signed by 8 people: Robert G. Good of Brantford, secretary-treasurer of the milk co-op of that district and director of same; Leonard Laventure of Glasgow station, an executive director of the Ontario federation of agriculture and a director of same; Rev. Douglas Brydon of Mount Forest, active in the field of rural economics and rural sociology; S. C. Brubacher from Ayr, a farm writer; H. D. Ghent from Ayr, the past president of the co-operative union of Ontario; Andrew Leishman of Paris, the past president of the Ontario cream producers; Bruce Innes of Burford, secretary of the Norwich district co-op—

Mr. H. C. Nixon (Brant): Three of them so far have been my constituents.

Mr. MacDonald: —and Alston Campbell, Burford, first vice-president of the Ontario plowman's association.

Now those are the signatories of this letter. I am not going to read the letter itself because it is a very carefully worked-out analysis of the powers of the board. Instead I am going to read the *Kitchener-Waterloo Record* story which was based on the letter, because I think it gets the main points across with some very appropriate running commentary.

This is the story of the letter as it appeared in the *Kitchener-Waterloo Record* on Tuesday, January 3. I am quoting from this point forward:

The government-appointed Ontario farm products marketing board is acting as judge, prosecutor, and litigant in its disputes with the producer-appointed hog producers' marketing board. This is claimed in a letter to the government agency signed by 8 leaders of farm organizations, only 2 or 3 of whom are officials of the Ontario hog producers' association or its marketing agency.

The letter questions whether the farm products marketing board can deal impartially with all problems since it has arbitrary administrative and judicial powers. It quotes the opinion of Mr. Justice Dalton C. Wells of the Ontario supreme court who, in dealing with the Royal commission on milk, said this:

"In my view it is quite impossible to fairly combine powers of bureaucratic administration with those of a judicial nature in the same person with any hope of dealing impartially with the subject's rights."

That is the end of the quotation from Justice Wells. The letter notes:

"The question of the administration of justice has been further complicated by the farm products marketing board expressing opinions against the Ontario hog producers marketing board." Thus "the farm products marketing board has repeatedly expressed such opinions, completely unconnected with a judicial ruling, following a dispute between producers and the processors. Under the circumstances, such opinions fall into the category of public relations or propaganda."

Noting the marketing board had recently amended regulations "which in effect, will force some method of auction selling of hogs—some hidden or open auction method," the letter asks if the board has

any right in doing so: "except as a ruling after a hearing, brought about by a dispute between the producers and the processors"?

The letter signers ask if the board, "within the confines of natural justice," has any grounds for changing the regulations without first outlining in detail objections to the present method from the producer viewpoint.

If the producers object: "the proper procedure for changing regulations should be an open hearing, called for at the request of the processors and at which they must prove their point. We are not aware of any significant official public complaints against the Ontario hog producers marketing board, yet a dispute obviously exists."

The letter further asks: "Has the farm products marketing board become one of the parties of the dispute, rather than the judge of the dispute?"

Just let me repeat that because I think that it is a very, very significant point.

Hon. L. M. Frost (Prime Minister): The point raised is this: Do you make a board such as that a quasi-judicial board presided over by a judge, and which board in the end makes decisions upon which there is finality; or do you work it out on the basis of having a board composed of farmers to deal with farm problems? There is the problem.

The point is this. At the present time, the government and the hon. Minister have been committed to trying out a board of very well-known farmers—and I will refer to that when my hon. friend is through and when others have spoken—very able, experienced, just men who were part of the farming community.

Is it now going to be necessary, as my hon. friend apparently argues, to have a board of a quasi-judicial nature presided over by a judge who, in the end, says: "This is it."

I would say that I would be hopeful that the farmers may be able to work out their solutions themselves without the introduction of, as I say, a quasi-judicial board who in the end will dictate the terms.

In other words, we are trying to work out a plan by which the farmers themselves find the solution. That is all the letter means; that is the whole story.

Mr. MacDonald: Mr. Chairman, I respectfully suggest that the hon. Prime Minister has just confused the point because the fact of the matter is that—

Hon. Mr. Frost: I am not confusing anything. That is what the letter said and—

Mr. MacDonald: I did not interrupt the hon. Prime Minister when he wanted to make his little speech; but I request that he read the powers under which the farm products marketing board is now set up. It has two sets of powers. In fact, this letter begins by quoting the sections which indicate these powers.

One is the administrative powers and the other is semi-judicial powers, so there is no point in talking about this board as being a board of farmers who are working it out. This is a semi-judicial body with judicial powers.

Hon. Mr. Frost: A year ago, Mr. Chairman, the hon. member mentioned, as did the hon. gentlemen who follow him on his right there, the arbitrary nature of these provisions. Here we are 365 days later and these things have not been borne out. The board has not been arbitrary; this board has endeavoured to work out, as a sort of conciliation board, the problems involved.

Mr. MacDonald: Mr. Chairman, if the hon. Prime Minister has a reasonable comment to make, I am willing to listen to him, but I am not going to listen to him confusing the issue because what I am stating, and what these people have very rightly stated, is that the farm products marketing board has administrative and judicial powers, and they are asking the question as to how a body can retain its integrity as a judicial body when it has so obviously become a participant in a battle.

Its judgments are propaganda judgments; its statements are propaganda statements. They are, as the letter indicates, made not after a hearing so that they come to some judicial conclusion, but rather they are pronouncements made on high, and the lowly little people have to deal with the consequences.

Hon. Mr. Frost: No, no.

Mr. MacDonald: That is the situation at the moment.

Hon. Mr. Frost: It is a matter of reasonable and understandable—

Mr. MacDonald: I wish, Mr. Chairman, that the hon. Prime Minister could have taken a few hours off from his busy day to have sat in on the farm products marketing board and to have found out just how completely unreasonable the farm products marketing board had been.

Hon. Mr. Frost: I have sat with those people for hours.

Mr. MacDonald: When they are sitting with the hon. Prime Minister they must be submissive.

Hon. Mr. Frost: Oh, no. No one is ever submissive with me.

Interjections by hon. members.

Hon. Mr. Frost: Mr. Chairman, all these extravagant forecasts that were made by my hon. friends opposite have been utterly discounted by the 365 days it has been in force. As a matter of fact, the only thing that is wrong with the hon. members opposite is this, that they are disappointed that everything has not gone to blazes. That is what they are angry about.

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, I hope to be able to conclude my remarks before midnight, but the hon. Prime Minister's interjection forces me to repeat a quotation which I read this afternoon when he was not in the House.

Hon. Mr. Frost: I heard the hon. member. I was up in the radio room and I could hardly get a word in edgewise.

Mr. MacDonald: As a matter of fact, I do not think the hon. Prime Minister could hear me in the radio room because it is the one room that has not got the voice from the legislative gallery piped in.

Hon. Mr. Frost: If the hon. member will go up there after he finishes his speech, he will find that he could be heard up there.

Mr. MacDonald: Let me show the hon. Prime Minister the sort of poppycock he has just been presenting to us. A year ago he got up in this House and this is what he said:

A year ago I said to the hon. members of this House we would emerge with the finest marketing plan in existence anywhere—

Interjections by several hon. members.

Mr. MacDonald: Mr. Chairman, I am continuing the quotation:

I am going to be bold enough to say this.

I think that a year from now the hog producers will be on the rails in this province and—

Hon. Mr. Frost: I say that hog prices are higher than they were a year ago.

Interjections by several hon. members.

Mr. Chairman: Order.

Mr. MacDonald: Thank you very much, Mr. Chairman.

As I said this afternoon, surely the facts of today are such that they must shatter even the incorrigible complacency of the hon. Prime Minister. We are faced with the greatest crisis in marketing in this province, and we are faced with it for the simple reason that this government, instead of making the packers go along with the marketing scheme, are trying to make the hog producers go along with the packers.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. MacDonald: Mr. Chairman, I will sum up in this way—talking about getting off the rails—this government got off the rails in marketing with Bill No. 86. They have destroyed what was potentially one of the finest marketing schemes in this province.

Secondly, Mr. Chairman, the Ontario farm products marketing board, I suggest, is now getting off the rails. Instead of being a body that has some administrative functions and some judicial functions, it is participating in the fight and destroying the possibility of maintaining its integrity as a judicial body; because if the judge is going to be out fighting on one side of the case he loses his capacity to be a judge, and that is what the Ontario farm products marketing board has done.

Hon. Mr. Frost: The hon. member wants a judge put there, does he?

Mr. MacDonald: I do not want a judge, but I do not want somebody who will simply do what the government wants.

Hon. Mr. Frost: Fire the farmers and put in a judge.

Mr. MacDonald: Thirdly, and rather important in this picture that is now sadly off the rails, I want to suggest, are the top civil servants. I think it is a very strange situation, when a group of producers have serious difficulties arising in one of their marketing schemes, that the top civil servants of The Department of Agriculture are out propagating their particular version of the case and fighting it out.

Incidentally, I do not use the term loosely because out in Petrolia the other day, after Everett Biggs delivered his speech—and I understand it is usually received rather quietly—when they started asking questions, there were some pretty fiery questions. In fact, some of them got so fiery that it fired Mr. Biggs to the point where he said: "If you were a younger man you would not get away with that."

This is a very strange situation. I have a great respect for a fighter, and I said before that I respect Everett Biggs as a man who has his own mind and is willing to speak it. But I submit that a civil servant who is out participating as a propaganda agent, even getting to the point of suggesting that if he were a younger man a questioner could not get away with some of his comments, is completely out of his role.

The farm products marketing board in its actions and in its role now is off the rails, and the top civil servants are off the rails. This is a pretty bad wrecking of the situation.

Hon. Mr. Frost: Do not start attacking the civil service now.

Mr. MacDonald: Finally, Mr. Chairman, I just want to touch briefly on one other point, and—

An hon. member: He is an hon. member of the Opposition.

Mr. MacDonald:—and that is the question of FAME—the farmers' allied meat enterprises co-operative. I raised the question of FAME in the House on December 1, the day after Mr. Lennox had issued his order.

The attitude of this government towards FAME—or at least the hon. gentleman who holds the whip hand in the government, namely, the hon. Prime Minister—is a very clear one.

When he was in the House last spring, he very bluntly asserted that he had never heard of anything sillier than that. I do not know how much more widely this attitude is accepted among the Cabinet and in The Department of Agriculture, but it was not surprising therefore that, when the promoters of FAME were going out and telling the—

Hon. Mr. Frost: I do not think I said anything of the sort. I just said—

Interjections by several hon. members.

Mr. MacDonald: The hon. Prime Minister did not say anything?

Hon. Mr. Frost: Well, now just a minute. I was referring to the Opposition when I said that.

An hon. member: Anyone can do that.

Mr. MacDonald: Mr. Chairman, I have got the *Hansard*.

Mr. R. M. Whicher (Bruce): The hon. Prime Minister is about to get on the rails himself.

Mr. MacDonald: Page 1296—just to show what happens to the truth if one does not have the records to correct it; anything to serve political purposes.

Mr. G. W. Innes (Oxford): Tory purposes.

Mr. MacDonald: Page 1296 of *Hansard* of last spring; the hon. member for Oxford was speaking, and he said:

In last Friday's paper, we read that the Ontario hog producers are contemplating setting up their own slaughtering methods.—and the hon. spokesman from Killaloe intervened:

What does the hon. member think of that? Does he think it is a good idea?

Mr. Innes: I think it is a pretty good idea.

Hon. Mr. Frost: Nothing sillier than that was ever advanced by anybody.

Hon. Mr. Frost: Well, if that is what I said I agree with it.

Mr. K. Bryden (Woodbine): But not—

Hon. Mr. Frost: Hon. members opposite misunderstood what I said.

Mr. MacDonald: Mr. Chairman, I have to concede that one cannot argue with that kind of logic.

However, let me get back to the comments I was going to make. In fact, there is another one that is just as good if hon. members want to look at page 1292.

An hon. member: What year?

Mr. MacDonald: Pages 1296 and 1292.

An hon. member: Thanks.

Mr. MacDonald: I would like to assist the hon. Prime Minister in correcting his own recollections.

Now, the attitude of the government has been clearly indicated and therefore, Mr.

Chairman, one can hardly blame the producers of this province who feel that there was a concerted effort, involving other agencies of the government, when suddenly, in the middle of their promotional campaign with 500 voluntary salesmen out on the highways and in the byways of this province selling debentures, they were struck with the order of Mr. Lennox which was issued on November 1 last year.

I happen to know a considerable amount about this order because I heard what was happening; I had two or three discussions with Mr. Lennox.

The question I raised with Mr. Lennox was: Even if one concedes for a moment that the argument that the sale of debentures is in violation of the law, and therefore that he as securities commissioner must act, surely it is his obligation, when he makes his order, to make it very clear that if they are barred from the selling of debentures then the way is open immediately to proceed to the sale of share capital—which has been the traditional way for co-operatives to act.

Therefore, Mr. Chairman, no mistake could have been made; there could not have been an unwitting error in the order. The order had been carefully considered, and this point about not barring share capital had been considered because if nobody else—and I know there were many others—but if nobody else had, I had raised it, and I can assure hon. members I raised it in very forceful terms in private discussions with Mr. Lennox.

Yet the order came out. In effect, they threw a monkeywrench into the whole operations of the promotion of FAME.

The result was that the co-operative movement in this province and of this nation, within 2 or 3 weeks, was altered. The Ontario co-operative union was preparing to take this government to court. The co-operative union of Canada, in an open letter by Ralph Staples, the president of the co-operative union of Canada, alerted all the people, particularly of Ontario, to the threat that had been created.

He did so because here was a threat to the basic rights of the co-operatives; which this government deliberately violated.

However, after some two weeks had gone by, the day before the session was going to recess for Christmas, I asked a question of the hon. Attorney-General (Mr. Roberts) as to whether or not, since there was doubt with regard to the sale of debentures, the government had reconsidered to clear the way for the sale of share capital.

I must confess, to my amazement, the next morning the hon. Attorney-General got up and read in his reply a statement from Mr. Lennox, the gist of which was: "We never barred the sale of debentures of share capital, it was never intended and it was not barred."

The strange thing was that the solicitors for the hog producers, the solicitors for the co-operative union of Ontario—all of them—had been led to believe—

Hon. Mr. Frost: All that has been corrected. They are selling their units now—

Mr. MacDonald: I will come to that. This was not an unwitting error; this was a deliberate error.

Hon. Mr. Frost: Oh, no, no.

Mr. MacDonald: This was a deliberate error on the part of Mr. Lennox, because there was no doubt in the wide world, despite his specious explanation that they had not barred share capital, that everybody involved had been led to believe, they had been told, that the securities commission had barred share capital as well as debentures. In other words, the whole promotional scheme was barred.

So what was the net result, Mr. Chairman?

Hon. Mr. Frost: Oh, no, no. The hon. member is completely wrong.

Mr. MacDonald: I am not completely wrong, I am completely right, and that is what has the hon. Prime Minister so peeved at the moment, so disturbed.

The net result, Mr. Chairman, was that this carefully prepared effort in what can become one of the most significant co-operative developments in the province of Ontario, had been frustrated at the very time when all of its supporters were out selling debentures. Confusion was sown—confusion that the hon. Minister of Agriculture is living by at the present time in the divided farm movement, and the whole thing degenerated into chaos until, finally, 3 weeks later, Mr. Lennox clarified the issue.

What I want to ask is—

Hon. Mr. Frost: It was plain at the time.

Mr. MacDonald: It was not plain at the time. That is utter nonsense; it was just as plain as the hon. Prime Minister saying a few moments ago that he had not made a statement which is in *Hansard*, in black and white.

Hon. Mr. Frost: I know; but I say to my hon. friend, that is quite true. May I point out to my hon. friend that the hon. Minister of Agriculture and myself spent endless hours, indeed days, on this matter, and we made an arrangement with the packers to provide for the storage of hogs, to have them killed, and to have them stored to permit orderly marketing without any capital outlay whatever. That was the basis of what I said.

Now my hon. friend has taken what I said out of context. I will admit I thought at the time I was referring to the Opposition but I find that I was not—

Mr. MacDonald: Such nonsense.

Hon. Mr. Frost: —I was not referring to the Opposition at all.

Mr. MacDonald: Mr. Chairman, Mr. Chairman—

Interjections by hon. members.

Mr. MacDonald: If any one of us is mixed up—

Hon. Mr. Frost: I would say this, Mr. Chairman—

Interjections by several hon. members.

Hon. Mr. Frost: These hon. members do not want to be corrected. They want to live in error—they want to live a life of sin over there, in error—

Mr. MacDonald: As a matter of fact, the hon. Prime Minister is adding to the sin at the moment because this is just about as dishonest a procedure as we have heard in this House for quite some time.

Mr. Whicher: That is right.

Hon. Mr. Frost: Now, now.

Mr. MacDonald: The hon. Prime Minister knows what the facts are, and for his own political purposes he is now getting up and, in effect, denying that black is white.

Hon. Mr. Frost: Oh, no.

Several hon. members: That is right.

Mr. MacDonald: Not only—

Interjections by several hon. members.

Mr. Chairman: Order, order.

Hon. Mr. Frost: But the hon. member is so wrong—

Mr. MacDonald: Just so that there will be no misunderstanding, let me quote from page 1294:

It is a matter the hon. member for Oxford referred to, the matter of the hog producers, for instance, operating packing plants and cold storage plants themselves. That is a matter in which I went to no end of trouble for the hog producers.

Hon. Mr. Frost: That is exactly what I am telling the hon. member right now.

Mr. MacDonald: Facts. And the hon. Prime Minister's conclusion is to be found on page 1296:

In discussing that problem, and trying to work it out, I would say I have come to the conclusion that it is completely and totally unsound from a standpoint of the producer—

Hon. Mr. Frost: I think that—sure.

Mr. MacDonald: All right, it was the hon. Prime Minister's considered opinion, and I am very interested to learn this from him: Did he discuss the matter with the hon. Minister and meet with a concerted view, a joint view?

Hon. Mr. Frost: Oh, yes; oh, yes.

Mr. MacDonald: So now we know that he, too, was opposed to it.

Hon. Mr. Frost: He was implicated, that is right.

Mr. MacDonald: He, too, was opposed to it. Now we are getting all the bad apples in the same barrel.

Mr. Whicher: And it is an awful barrel.

Hon. Mr. Frost: The hon. member had better be careful or the New Party will get him.

Hon. J. A. Maloney (Minister of Mines): They have got him already. He is the new leader of the Opposition.

Interjections by several hon. members.

Mr. MacDonald: Mr. Chairman, I just want to complete the sentence which the hon. Prime Minister interrupted. He does not like to hear his own words on occasion. I quote:

I would say I have come to the conclusion that it is completely and totally unsound from a standpoint of the producers and I say that the very best of authorities support me in this.

Interjection by hon. Mr. Frost.

Mr. MacDonald: All right. All I want to remind the hon. Prime Minister of is that his own assistant Deputy Minister in charge of marketing is at the moment going around the province saying it is a good idea. Herb Hannam, president of the Canadian federation of agriculture, has endorsed it as a good idea. Ralph Staples, the president of the co-operative union of Canada has endorsed it as a good idea. They all think it is good for the producers—all except the hon. Prime Minister.

Hon. Mr. Frost: I have not heard all these people say that at all.

Mr. MacDonald: They have said so.

Hon. Mr. Frost: I do not think so.

Mr. MacDonald: Unfortunately I have no clippings to read, but the hon. Prime Minister would not accept it anyway.

Hon. Mr. Frost: When it comes to the proper time, I am going to read the hon. member a few things.

Mr. Nixon: Everett Biggs said that in Oxford just last week.

Mr. MacDonald: I was discussing the government's change in the second statement of Mr. Lennox with regard to FAME.

Hon. Mr. Frost: Why raise all that money when he can get it for nothing?

Mr. MacDonald: Mr. Chairman—

Hon. Mr. Frost: What would he want to do that for? May I ask the hon. member that? What did he want to raise all that money for when he can get it for nothing?

Mr. Whicher: It is their business, not the hon. Prime Minister's.

Hon. Mr. Frost: Oh, well, I would not say—

Mr. MacDonald: Mr. Chairman, the hon. Prime Minister insists, and he is going to persist in insisting, that we discuss this. I am willing to discuss it for a moment. He tried to work out a deal and he was naive enough to think that the hog producers would fall for it; that the packers would store any surplus they had.

I will tell him the reason why this deal did not go through. The hon. Prime Minister, because he has lived with the packers for so long, has confidence in them, but the hog

producers do not have confidence in the packers.

Hon. Mr. Frost: I want to say to the hon. member that I have no connections with the packers. I do not know the packers at all.

Mr. MacDonald: Just examine the details of this wonderful proposal that the hon. Prime Minister claims he has worked out for these innocent producers, namely, that any time they have a surplus and do not have their own plants, hogs could be killed and stored in the existing packing plants.

Would not this be a lovely situation, so that any time the producers wanted to deal with the surplus they would be the helpless victims of a packer whom they had to pay all the time? This is the kind of thing the hon. Prime Minister tried to pawn off on them.

Hon. Mr. Maloney: To think that one little head could hold so much!

Mr. Whicher: To think that one big head could hold so little!

Interjections by hon. members.

Mr. MacDonald: Now that the hon. Prime Minister seems to have lapsed into silence on this phoney proposition he is trying to pawn off on the hog producers, I just want to make my final point and then I can look forward to sitting down.

And that is, when the second statement of Mr. Lennox was read by the hon. Attorney-General in this House—which finally clarified that the sale of share capital could be made by the promoters of FAME—one can come to only one of two conclusions as to why the government adopted the tactics and changed their minds.

Either they knew that, because of the storm that had been created in the co-operative movement, they were going to be taken into court and they were going to be licked as certain as they are sitting where they are now—they were going to be taken into court and they were going to be licked on this issue; or, alternatively, Mr. Chairman, what the government was doing through Mr. Lennox's order was an old and a true and tried trick of management with economic organizations.

On the trade union side, when a group of industrial workers have worked up to the point where they are just about to call a strike, when they have fought the issue through to that point, when they have built

up an *esprit de corps*, that is the point when management steps in with an injunction which says: "For 3 or 4 days you cannot go on strike."

The object of this injunction is to take the whole steam out of the campaign. It will create doubts, it will dispel the solidarity that has been built up, and often management succeeds in winning a strike by just stopping it for 3 days.

I want to suggest that this is precisely what this government did.

This government, at the very point when these farmers were out promoting the sale of the finances for what may become the most significant co-operative development in this province, this government, through the securities commissioner, threw this monkey-wrench into the works, stopped the sale, so that the dissension developed—

Interjections by hon. members.

Mr. MacDonald: —then they lifted the order and they left the farmers with the problem of rebuilding and reforming their ranks.

The only thing I am very proud and pleased to announce, Mr. Chairman, is that they have reformed their ranks. They are out selling across the province and they are going to sell enough, I venture to say, to build this scheme that the hon. Prime Minister has opposed.

Hon. Mr. Frost: The hon. member surely does not believe that.

Mr. MacDonald: Mr. Chairman, of course I believe it. I believe it because the hon. Prime Minister is opposed to it. It must be the truth.

Mr. Chairman, I just hope that the farmers of Ontario, who have fought one of their epic battles in the last two or three months, have finally recognized the fact that what they are facing here is a business-dominated Tory government that is just running true to form.

On vote 101:

Hon. W. A. Stewart (Minister without Portfolio): Mr. Chairman, I have been very interested in listening this afternoon and this evening to this discussion on this favourite subject of mine, agriculture. I was very, very interested in the remarks of the hon. member for Grey South (Mr. Oliver).

As I said in the House a year ago, I have a very high regard for the things that he says

and for the accomplishments of himself in this House and his honourable reputation.

But I think that if any one of us here as farmers this afternoon were to take very seriously the things that he has said about us, about this government, and about agriculture in Ontario, we would be a bit concerned.

He said something about us, back here in the back row, being a bunch of parrots this afternoon. Mr. Chairman, I have heard a lot of stories told about parrots, some of them I could tell here and some of them I could not tell here, but nevertheless we have to accept that for what it is worth.

After listening to what the hon. member for Grey South had to say, I began to wonder how in the world—if things are as bad as this in the last 17 years—did my wife and I happen to manage to pay off the mortgage on our farm.

Mr. Whicher: The hon. Minister must have inherited it.

Hon. Mr. Stewart: I do not know how we did it, but we did it; and I can assure the hon. member it was not inherited.

Mr. Whicher: The hon. Minister will have to prove it.

Hon. Mr. Stewart: I think that the truth of this whole situation is that, regardless of the hon. member for Grey South speaking for the party of which he is a member of distinction, the truth of the whole matter is that this government has done more for agriculture in Ontario than any other government in the history of the province.

Mr. Whicher: If the hon. Minister calls starving them to death successful, they certainly have.

Hon. Mr. Stewart: The hon. member for Grey South referred to the farm organizations of this province. And I respectfully submit, Mr. Chairman, that he could not have referred to a finer group of people in this whole country than the members of farm organizations.

You will agree with me, Mr. Chairman, that many, many years ago, you and I sat down in the King Edward hotel on many occasions at the annual conventions of the Ontario federation of agriculture. We recognized the great value that farm organizations have been to this province, for the leadership they have given and the great service they have rendered to the people they represent so well. We know this is true because we grew up with the organization.

We are not processors or distributors ourselves, we are down-to-earth farmers, and you and I can appreciate the things they have done.

And when the hon. member for Grey South made statements about the farm organizations of Ontario, I could not help but think of the fact that he was referring to the thinking of his party and surely not to the thinking of the farm people of Ontario. I ask the hon. member who he speaks for; is it his own party or is it the farm people of Ontario?

A few weeks ago the Ontario federation of agriculture presented their annual brief to the Cabinet. And I learned they presented it to others than the Cabinet this afternoon. But I thought it significant to read what the Ontario federation of agriculture executive had to say about the condition of agriculture here in Ontario and what the Ontario government has done for agriculture.

Mr. F. R. Oliver (Grey South): We have copies.

Hon. Mr. Stewart: Well, we are going to read it again just to refresh the hon. member's memory, because obviously, from what the hon. member for Grey South said this afternoon, he did not pay much attention to this brief.

I would like to take a little time to read it. I quote from the Ontario federation of agriculture brief—

Interjections by hon. members.

Hon. Mr. Stewart: I quote from this very excellent brief, Mr. Chairman, delivered to the Cabinet by the Ontario federation of agriculture:

This meeting marked the twelfth occasion on which the Ontario federation of agriculture has offered its submission to the present provincial Ministers.

Although as a rule there is nothing unusual about a twelfth anniversary, we have arrived at the threshold of a new decade, a period which is likely to be extremely eventful.

Accordingly, the Ontario federation of agriculture feels that at least a small portion of this presentation might be devoted with profit to a review of the outcome of its 11 previous submissions.

Since 1950, the Ontario federation of agriculture has brought to this Cabinet a great variety of recommendations and requests, which we believe have represented fairly and accurately what farmers

themselves have stated to be needful in the interest of the agricultural communities. How has the government responded? The simple truth is that the government appears to have responded very well indeed.

The record of instances of this action in relation to Ontario federation of agriculture requests is impressive and lengthy. This should be always a source of great satisfaction to the Ontario federation of agriculture.

However, we express the hope that, despite the length and scope of the achievement record and the undoubted credit it does the Ontario government, efforts to improve the well-being of agriculture will continue undiminished. There remain many deep-seated difficulties within the farm industry which demand solution.

The speech from the Throne which opened the current session of the Legislature surely indicates that the government is mindful of some of the problems that remain outstanding. The Ontario federation of agriculture is encouraged by the references to programmes designed to assist agriculture and is ready to be of assistance. We are looking forward to a record of accomplishments.

Believing that it might be of interest to review this record in a little more detail, we have prepared a summary of those items contained in Ontario federation of agriculture submissions since 1950, wherein the government has taken direct action more or less in keeping with the Ontario federation of agriculture position on them.

The items listed in rough chronological order as they first appeared in the brief are as follows:

- First of all, farm marketing legislation.
- Second, colour ban on margarine.
- Third, financial assistance to the cheese industry.
- Fourth, The Milk Industry Act.
- Fifth, marketing plan for Ontario wheat.
- Sixth, municipal assessment and taxation.
- Seventh, financial responsibility of handlers and processors of farm commodities.
- Eighth, research and farm management and cost of production.
- Ninth, increased compensation to property owners for hydro installations.
- Tenth, restricted passing of school bus.
- Eleventh, formula for fluid milk.

Mr. Whicher: What was that?

Hon. Mr. Stewart: Well, the hon. member ought to know about it; we are trying to protect the poor farmer that the hon. member is buying the milk from and off whose product he is living.

An hon. member: You stuck your neck out on that one, Ross.

Hon. Mr. Stewart: The brief goes on with the remark that the provincial government has provided low-interest farm loans. I am referring to the things that the hon. member for Grey South said this afternoon had not been done; the federation says they have been done.

I know the hon. members opposite do not like to hear this, but nevertheless they are going to hear it if we take until tomorrow morning to do it.

The next point in this brief is the preparation of satisfactory right-of-way agreements to protect the farmers in pipeline negotiations; improvements in land acquisition procedures. I recall the arbitration board that has been set up to control the actions of companies concerned with crossing farmers' properties. We think of the workmen's compensation board.

Mr. Whicher: No farmers can get it now.

Hon. Mr. Stewart: Any farmer can buy it who wants to buy it. All I am doing is telling the hon. members what the farmers of Ontario told us. Do they not want to hear it?

We see here that there is a sanitation programme with respect to stockyards and vehicles transporting livestock; increased appropriations for education and research in agriculture; implementation of the findings of the select committee on conservation; increased budget through The Department of Agriculture; licensing and inspection of community livestock sales farms.

There is a national health programme in which the province of Ontario has participated; crop insurance; a select committee set up to study crop insurance; an assumption by government of the cost of cattle vaccination to wipe out brucellosis in the province of Ontario; The Pipe Lines Act.

A separate department for marketing; opposition to rail freight increase; farmer representation on government boards and commissions; speedier returns to farmers in connection with gasoline tax rebates; compensation of losses through rabies; market research.

I could go on and on and on. These are the things that have been done.

Mr. Chairman, the brief continues:

Anyone who has travelled the thorny path towards farm policy formulation, and who has some knowledge of each of the above headings, will understand to what a considerable extent the legislative objectives organized farmers have realized.

There are areas in which the remedial action has been less than adequate.

An hon. member: Now the hon. Minister is quoting!

Hon. Mr. Stewart: Certainly, I am quoting:

The government will know wherein its public policies and legislation has failed to meet either the specific recommendations of the Ontario federation of agriculture or what the government, in its wisdom, has felt to be the real needs of the situation.

What is most important to observe is that the past 10 years have seen a welcome measure of positive achievement.

An hon. member: Is that the farmers or the packers speaking?

Hon. Mr. Stewart: This is the farmers of Ontario. We will go on, Mr. Chairman, to read some more of that brief:

Several suggestions have been offered from time to time as a means of increasing the cash return to the farmer. Not all have come from the Ontario federation of agriculture; many are matters coming under federal authority and included are some of the things that they have suggested.

First, the formation of a national marketing board for greater farm bargaining strength; second, multiple price system to aid export; third, stringent control of the farm products used primarily for domestic consumption; fourth, price incentive designed to encourage production with respect to certain kinds and amounts of production; fifth, retirement of marginal and submarginal lands from production through public purchase and control.

The sixth suggested higher tariffs on certain imported commodities to increase domestic production; seventh, more aggressive search for export markets, as well as assistance to food exporters; eighth, domestic distribution programmes; ninth, devaluation of the Canadian dollar. Many of these things have already been accomplished. We could go on to say that the above list is by no means exhausted. It is

sufficiently complete, however, to point up the question, what can the provincial government do about farm prices?

Just listen to this:

Aside from co-operation on federal sponsored projects and providing the means by which farm producer groups can themselves work out a partial price salvation, it seems that the field of provincial government jurisdiction, to say the least, is quite limited.

Having said this, we are in no sense deprecating the efforts of government to date. The legislative contribution, as we have pointed out earlier, has been large and valuable. What we are saying is that undue emphasis on price, especially in the provincial sphere, is likely to be only modestly rewarded especially when dealing with the commodities produced nationally.

There are other areas within provincial jurisdiction which may show more promise of increasing farm income, namely those which have a bearing on farm production costs.

Mr. Chairman, our hon. friends opposite seem to think that the only thing which concerns agriculture is to increase the price. Let me read a paragraph taken from the monthly review of the Bank of Nova Scotia: I believe there is a lot of merit in this little statement I am about to read from this report:

The attainment of a measure of equality in living standards between the rural and non-rural sections of the community is a legitimate objective to farm policy, but supplementary measures outside the price support programme appear to be the most effective means of working towards it; measures which are directed towards increasing farm welfare.

Examples which come readily to mind are crop insurance, better educational facilities in rural areas, increased medical care, better roads, better farm houses and an extension of rural electrification.

Such things are not only more effective than uneconomic support prices in narrowing the gap between rural and urban living standards, but they can be carried out without hampering the price system in discharging its basic function of guiding production.

I ask you, Mr. Chairman, if that is not a pretty sensible solution to the things which we have been talking about on this side for a long time?

I would like to read another paragraph from the brief of the federation of agriculture:

In November of this year, the Ontario federation of agriculture in annual convention gave attention to assessment and taxation. In keeping with the resolution arising from the discussion of this topic, the Ontario federation of agriculture requests the Ontario government to establish a select committee to examine the fields of assessment and taxation, municipal finance and municipal administration with a view to a more equitable distribution between rural and urban ratepayers of the cost of education and other services, including costs of municipal administration, as well as to study the undesirable features of the present methods of land use control.

Implicit in this recommendation is the suggestion that the traditional basis of tax application, especially for educational purposes, may not meet the requirements of the present day.

Mr. Chairman, can anyone imagine a government acting more quickly than the government of the province of Ontario today in establishing a select committee immediately upon receipt of this brief?

This has already been done and, what is more, the hon. Prime Minister has asked the federation of agriculture and the farmers' union to submit names from whom may be chosen men to act as advisors on this select committee.

Hon. Mr. Frost: They do not know what is going on. They really do not know what is going on; they admit that. They have not any idea.

Hon. Mr. Stewart: The hon. Minister of Municipal Affairs (Mr. Warrender) announced a committee was being established with Dr. E. C. Pleva of the University of Western Ontario as a consultant—

Mr. J. J. Wintermeyer (Leader of the Opposition): Oh no, an advisory committee?

Mr. Oliver: He said a select committee and it is not.

Hon. Mr. Stewart: —as a committee to study and co-ordinate all of the reports of—I did not say a select committee.

Interjections by hon. members.

Hon. Mr. Stewart: This is simply a committee that was set up this afternoon to study

this very thing—proper land use in the province of Ontario. Does the hon. member disagree with that kind of solution? Does he disagree with that kind of suggestion?

Mr. Wintermeyer: London would blast the hon. Minister out of town if he made that explanation in his home city.

Hon. Mr. Stewart: Mr. Chairman, I have a very high regard for the farm people of the province of Ontario. I appreciate the things that they have said to us in this brief of the Ontario federation of agriculture.

I was much impressed this afternoon, and also this evening, with the amount of apparent interest that the hon. member for York South has in agriculture. One would think that he or some of his party represented several rural constituencies in Ontario, when the truth of the matter is that they do not represent a single farmer.

Mr. Chairman, you and I and all the hon. rural members of this House know how deep one's roots go into the good soil of Ontario. Once one has grown up in a farming community in Ontario, or in Canada for that matter, one never gets away from it. I suppose that we could attribute the interest of the hon. member for York South in agriculture to the fact that he, I am told, is a product of the eastern townships of Quebec and a rural farming community.

However, when he starts to talk about farm marketing in the province of Ontario it makes me have some reservations.

A week or so ago we had, in the Ontario farmers' union, another very strong farm organization in Ontario to talk to us at the Cabinet level. I think that it would be only right, Mr. Chairman, if we should read into the records of this House what the Ontario farmer's union had to say about farm organizations and farm marketing in particular—and I quote from this brief:

The Ontario farmers' union recommends the complete reorganization of present-day farm organizations into one general policy-making farm organization with direct membership for all Ontario farmers. This organization must have complete authority to make farm policy.

Mr. Bryden: Well, what has the hon. Minister done about that?

Hon. Mr. Stewart: Is the hon. member suggesting that the government of Ontario force every farmer in the province to belong to one farm organization? Is that his suggestion?

Mr. Wintermeyer: What is the hon. Minister suggesting?

Hon. Mr. Stewart: We are suggesting the very thing that this brief states, my hon. friend, the very thing that we have been saying. The hon. Minister of Agriculture of this province has repeatedly said that he encourages one farm organization for Ontario.

But we believe in the farm people of Ontario deciding this for themselves, not being forced into it by the suggestion of the hon. member for Woodbine.

Mr. Bryden: Now the hon. Minister is forcing them into taking the role of a master-plan organization.

Hon. Mr. Stewart: We are not forcing them into anything of the kind. I quote from the farmers' union brief:

Marketing should be handled by committees of the general organization—with separate committees for each section of industry—dairy, meats, poultry, cash crops, grains, fruits and vegetables. Each committee would attend to its own responsibility, but would live within the policy framework laid down by the general farm organization.

This type of organization would be in a position to provide farmers with a completely co-ordinated programme, including field service to county and local branches, supervision, and specially trained management and technical consultants for marketing departments. It would include prompt up-to-date factual information for members, organized sales promotion plans for products in surplus position, and to initiate market and new product research.

This type of organization would result in less opportunity for members of the farm organization family to embark on unrealistic, futile plans.

However, should this happen, the general farm organization would have authority to supervise and insist that the wayward segment be realistic and conduct their affairs in such a fashion as to avoid damage to the industry in general.

That is the end of the quote.

Mr. Chairman, there has been so much said about marketing in the province of Ontario that I would like to read into the record what the farmers' union says about marketing.

Mr. MacDonald: What is the hon. Minister's policy? What does he think about the treatment of the hog producers?

Hon. Mr. Stewart: We are trying to follow the policy of the farm people of Ontario. Who is the hon. member following?

Mr. MacDonald: What does the hon. Minister think of the treatment of the hog producers?

Hon. Mr. Stewart: We are speaking for the farmers of Ontario.

Mr. MacDonald: But the federation says differently. Which side is the hon. Minister on? He has no policy of his own.

Hon. Mr. Stewart: Mr. Chairman, I am going to go on and read this, whenever the hon. members are ready to quiet down.

Interjections by hon. members.

Mr. Oliver: Will the hon. Minister give us his own policy? We have read this.

Hon. Mr. Stewart: Well, no one would ever know the hon. member had read it, from listening to his speech.

Mr. Wintermeyer: What is the hon. Minister's personal opinion?

Interjections by hon. members.

Mr. Oliver: Will the hon. Minister throw the thing down and give us his own views?

Hon. Mr. Stewart: This is another part I would like to read, and I quote:

We have mentioned earlier our views with regard to producer marketing.

However, until such time as this type of farm organization can be built, we recommend that regulations concerning marketing boards require elected officials to represent a specific area. All such officials should be elected within the area by producers of the commodity concerned, and should not hold the same office for more than 5 consecutive years.

We would draw your attention specifically to the Ontario hog producers' marketing board. We fear that the doubt and suspicion created in the minds of farmers concerning this controversial organization threatens our entire producer marketing programme. In our opinion, the existing situation can no longer be tolerated.

We wish to commend the members of the farm products marketing board for their tireless efforts to overcome the hog problem by peaceful means. Ontario farmers are fortunate to have men of their calibre to administer marketing legislation.

The fact that some members of the board have to their credit several years of service to various farm organizations adds to their stature and contributes to farmer confidence in the board. We would recommend that personnel from the market branch arrange to attend more farm meetings in an endeavour to acquaint farmers with a first-hand knowledge of problems and possible solutions.

Our experience indicates that the Ontario hog producers' marketing board will not co-operate in altering the present plan. Changes will only be made by government order. We suggest that the Ontario hog producers' marketing board has, in effect, been thumbing its nose at the farm products marketing board and ignoring the opinion of *bona-fide* producers.

This is the end of the quote.

Mr. Chairman, it annoys me no end as a farmer to hear things said about farm marketing legislation such as we have listened to in this Legislature this afternoon and this evening. I want to say, Mr. Chairman, as emphatically as I can, that the provincial marketing legislation in the province of Ontario is a model to any jurisdiction in North America.

Where else in Canada or the United States—Mr. Chairman, where else in North America—can we find 17 producer marketing boards marketing or handling 26 agriculturally produced commodities successfully? I believe, Mr. Chairman, in the briefs which I have read, the opinions of the farmers of Ontario speak for themselves. I believe this is the voice of Ontario's farmers and not the voice of some hon. member in the Opposition trying to make political capital out of propaganda directed at the farm people of Ontario, one of whom I am very happy and proud to be.

A good deal has been said about agriculture and what we have done for it. I have tried to outline some of the things we have done. We could go on and talk from now until this time tomorrow about what has been done for agriculture in the province of Ontario by this government, but I am only going to mention a few of the things.

I am the product of a family farm. We have a family farm today and I hope we always will have a family farm.

I maintain, Mr. Chairman, that contrary to things which have been suggested here this afternoon, the family farm is the most economic unit of agricultural production to be found in the province of Ontario or anywhere else in Canada. The family farm

today is a different farm entirely to what it was a few years ago when I was a boy growing up; that is not so long ago but it is longer ago than I wish it were. It is a different type of enterprise entirely.

The family farm today must be run as a business as well as a way of life, and no one can tell me that a young man and a young woman on a farm today, who are determined to make a success of it, cannot make a success of farming in today's economy, because I know it is being done. I am one of the fellows who have done it, and I know there are a good many others like me.

I want to say just a word about what the Ontario Department of Agriculture is doing for farming in Ontario today through the farm management courses of this province. If ever a people owed a debt of gratitude to an individual, the farm people owe one to the hon. Minister of Agriculture. He has been the inspiration behind the programme to provide farm management courses across the length and breadth of this province.

An hon. member: The hon. Minister of Agriculture is blushing.

Hon. Mr. Stewart: Well he should; he is a modest man. After what the hon. members opposite have said to him, it would be a good idea if we were to paint the other side of the picture.

I want to suggest that under his leadership we have a programme across Ontario today from the start that was made in the county of Bruce—and I see my hon. friend from Bruce is not in the chamber.

Mr. G. W. Innes (Oxford): It originated here under the Hepburn government.

An hon. member: No, no, no! The hon. member had better go back to school.

Hon. Mr. Stewart: We pay tribute to Dr. Patterson and Jack Clark and a great many others who are developing this programme all over Ontario. I have talked to young farmers who were carrying on in lines of production which were not producing the cash revenue they should. Through this farm management course, and keeping accurate records in a businesslike way, and analyzing their reports at the end of the year, they have been able to direct their production on individual farms into a paying basis.

A good many of these young fellows have now found themselves in the position where they are earning a good living for themselves,

their wives and their families, and making a profit besides, under today's conditions. I say that any agricultural department that provides that kind of leadership in every county and district in the province of Ontario deserves credit.

Everybody knows that to operate successfully on a farm one has to have available farm credit. There are a great many of us who do not have capital of our own. We have to borrow.

I would like to pay tribute to Professor Art Robertson of the Ontario agricultural college for the job which he is doing in the province of Ontario in bringing together the bank managers, the financial institution representatives and all the people interested in farm credit, and acquainting them with the down-to-earth facts relative to farm credit; the necessity for it; the use that can be made of it; and the safety of it.

I say, quite emphatically, that this programme that Professor Robertson is carrying out across Ontario today is making credit available to farmers in this province, because of the confidence which he has engendered in the bankers of this province in Ontario agriculture, to a degree that farmers are finding credit which they never found before in the history of our country.

I would like also to point out something in the extension work that is being done for junior farmers and the 4-H clubs of this province. We have 7,000 junior farmers in this province today. They are active young men and women who are participating in self-help and community betterment, a programme which is designed to build citizens. This government has provided the leadership.

We have 18,000 4-H club members in the province of Ontario; just about a third of all the 4-H club members in all of Canada. We have in the province of Ontario 2,200 4-H clubs with nearly 27,000 projects under way.

These are just a few of the things, Mr. Chairman, in which this government is giving leadership in this province. I suggest to you that, as long as we have this kind of leadership, agriculture in the province of Ontario is in very safe hands.

Hon. Mr. Frost: Mr. Chairman, I would just like to add a word to what has been said. I listened this afternoon to the remarks of the hon. member for York South and it reminded me of this.

In serious days and serious times, when the marketing board is sitting down with

the hog board trying to find ways and means—and they will be found—of solving the difficulty, the hon. member for York South engages his time by throwing stones on the roof and yelling in the windows and doing everything possible to disrupt the proceedings.

It has been an inspiration, sir, to have the opportunity of sitting here this evening and listening to the hon. Minister from Middlesex North who is a very able young farmer, who has made a success of farming and knows the problems of farmers. He was speaking as a farmer, accepting what has been done for the farmer and the agricultural community in the province of Ontario.

Sir, I just want leave of the House to ask this question. I listened to my hon. friend bring before this House the assessment of the two great farm organizations in this province, the federation of agriculture and the Ontario farmers' union. Last year my hon. friends opposite wasted endless time in talking about Bill No. 86. I have taken the opportunity, during the recess at 6 o'clock, to read through these briefs and I find there is not a single solitary mention in either one of them—

Mr. MacDonald: That is what I said this afternoon. I explained why.

Hon. Mr. Frost: I would call attention to this sentence, which I take from what my hon. friend read, the federation brief:

An analysis of the net effect of government legislative and other assistance at the market level would reveal a marked improvement in farm bargaining strength. We feel that this has been good for agriculture and, on balance, good for the provincial economy. We are convinced that without the bargaining strength vested by legislation—

And remember, sir, that includes Bill No. 86:—in producer boards, the price line for many farm products would have faltered badly and the results in terms of more widely fluctuating prices and reduced farm purchasing power would have led to undesirable consequences.

In other words, marketing boards have been a large factor, along with federal programmes, in bringing a degree of stability to farm prices and income.

Mr. Chairman, this is an assessment by farmers in this province.

Now I also ask this: What would lead to this? I heard my hon. friend this afternoon say things of a highly uncomplimentary

nature in relation to the members of the farm products marketing board.

Mr. MacDonald: What, for example?

Hon. Mr. Frost: I do not need to say; the record is there.

Here is another organization, the Ontario farmers' union—

Mr. MacDonald: The hon. Prime Minister is playing them off one against the other.

Hon. Mr. Frost: I ask you this, Mr. Chairman, why did they say this:

We wish to commend the members of the Ontario farm products marketing board for their tireless efforts to overcome the hog problem by peaceful means. Ontario farmers are fortunate to have men of their calibre to administer marketing legislation.

That is not the hon. member's assessment, nor my assessment. That is the assessment of one of the great bodies which came to my office with a very large deputation, representative of the farmers of Ontario. I continue:

Some of the members of the board have to their credit several years of service with various farm organizations which adds to their stature and contributes to the farmers' confidence in the board. We would recommend that the personnel of the market branch arrange to attend more farm meetings, as does Mr. Biggs and others, in an endeavour to acquaint farmers with a first-hand knowledge of problems and possible solutions.

Sir, that is an assessment made by the farmers themselves.

I want to ask this: Why are these assessments made by these two great organizations? I ask my hon. friend to remember these things and perhaps he will change his records in connection with this matter.

Mr. MacDonald: Deal with the issues I raised, instead of evading them.

Hon. Mr. Frost: I am not a farmer but I have been associated with farmers and farm organizations all the days of my life in one capacity or another. I have spent endless days, endless time, endless hours, with farm organizations in various capacities. In recent days I have been met with criticism of a very forthright type from the hon. members of the Opposition.

I well remember the great problem, as I said before, in connection with the tobacco

plan; the difficulties we had in getting that plan going. I remember the stones that were thrown at it by the hon. members of the Opposition; I remember how they shouted in the windows as we tried to come to an arrangement, at a time when we were engaged in serious business.

At that time I expressed confidence in the success of the plan. To repeat what my hon. friend said this afternoon: Of a crop of 200 million pounds of Ontario tobacco today—on February 14—170 million pounds have been sold at the highest price ever obtained in the province of Ontario.

This was accomplished at a time when my hon. friends were causing all sorts of difficulties.

I suppose that actually they were all getting down on their knees and praying the plan would be a total wreck, because they did everything in their power to bring that about in those years.

I very well remember that, at that time, work in the tobacco fields had to run on until I think the middle of April to complete the harvest. We had the greatest of difficulty in that first year of operation to make a go of it.

Mr. Chairman, the hon. Minister advises me that by March 1 this year, the tobacco crop will again be cleaned up at the highest prices ever obtained in the province of Ontario.

Interjections by several hon. members.

Hon. Mr. Frost: Hon. members continue to throw stones in the window and bricks and stones on the roof and create dissension and noise.

But a year ago I stood right in this place and I said to hon. members of the House that we did not intend to let the hog plan go down the drain; we intended to make the hog plan a success. We were greeted with cries of derision from hon. members opposite. They said we were going to ruin the hog plan and that things were going to pot. When I stood in this place just one year ago the price of hogs was \$20 per hundredweight. Today, sir, it is \$30.

Interjections by hon. members.

Mr. Nixon: What depressed the price to \$20?

Hon. Mr. Frost: It was the aftermath of the Liberal government at Ottawa. Through intelligent operation today, the prices are going up.

Now, sir, I want to say this on February 14, 1961: The hog plan is going to be a success.

Interjections by hon. members.

Hon. Mr. Frost: Do the hon. members of the Opposition never get wise to themselves?

We have no intention of letting the plan go down the drain. I know there are problems and difficulties; but we can solve them, because we solved them with a score of other plans.

Some hon. members: Hear, hear.

Mr. Innes: Mr. Chairman, I would like to say a few words about this very important subject of agriculture, although from the remarks of the hon. Prime Minister and the hon. Minister from Middlesex North one would almost hesitate to say anything because one would immediately feel that everything was 100 per cent in the province and that there is nothing more to be said.

The hon. Minister of Agriculture this afternoon said he had a few remarks to make. I would say that they were few; very few. He again never mentioned anything about marketing, a subject that I feel deserves a little bit of attention in this Parliament. I do remember some words being mentioned occasionally about it.

Incidentally, this happens to be the eighth week in the session, and we still have not had a meeting of the agriculture committee of the Legislature. It would have been fine to have a committee meeting just once or twice before the session is half over.

Mr. R. K. McNeil (Elgin): It is meeting tomorrow.

Mr. Innes: Yes, I understand it is meeting tomorrow. It is about time that it was called because, after all, the session is half over.

I was interested in the hon. Minister from Middlesex North and his glowing remarks, and his life history of his farming experience, and the fact that he did survive in spite of the government. I did survive in spite of the government, too, but I am not going into my history.

Hon. Mr. Maloney: We passed an Act regarding the hon. member; we are keeping him alive.

Mr. Innes: It was not too long ago that the hon. Prime Minister got up here and told us what the federation had congratulated him for, but I happen to have a clipping of an editorial here. Since this great govern-

ment has done so much, I would like to read it to hon. members. It is datelined Toronto, December 22:

The Ontario federation of agriculture claimed today that the provincial government would have greater success in increasing farm income by helping the farmer reduce his expenses and by trying to raise prices through various means. The claim was made when the Ontario federation of agriculture board of governors met with Premier Frost and his Cabinet to present the twelfth annual brief covering the views of the farm people of Ontario.

Hon. Mr. Maloney: Read the brief.

Mr. Innes: The hon. Minister is a great boy to make a noise. I continue:

In areas adjacent to urban municipalities, the weight of the tax on the farm land is especially severe, since urban extension has forced the farmer to assume a larger share of the cost of services for which he has felt no need.

In 1946, taxes on farm land and buildings amounted to \$13.9 million; in 1959 the taxes amounted to \$44.2 million, an increase of 200 per cent.

Actually, they should get a little consideration for those taxes, do the hon. members across not think so?

Hon. G. C. Wardrope (Minister of Reform Institutions): Oh, we will admit that.

Mr. Innes: The hon. Prime Minister a few moments ago was making glowing comments about participation with the federal government. I would just like to read a short editorial in the last *Country Guide* referring to that great counterpart in Ottawa:

Any government must accept full and exclusive responsibility for the policies which it makes. A government will be quick to take credit when its policies turn out well; it must also assume the blame when—

Interjections by several hon. members.

Mr. Innes: Mr. Chairman, may I have just a little bit of order? I repeat:

A government will be quick to take credit when its policies turn out well; it must also assume the blame when they turn out badly.

The government cannot get away with laying the blame at the doorsteps of the farmers when policies go wrong, neither by implication or association, or any other way.

To this extent it is beside the point whether farmers have asked for the policies adopted or to what extent farmers are responsible for solving their own problems.

Now, listen, Mr. Chairman:

Mr. Diefenbaker, the great champion of human rights, should be ashamed of stooping to childish and unstatesmanlike practices in order to achieve his ends. Democracy has come to a low ebb if, in order to obtain good government, farm people—or other groups in our society—must first assure the party in power that they will refrain from criticizing its policies or the way in which these are executed.

For example, perhaps we have been under the misapprehension that a cardinal principle of a democratic government and a democratic society was the right to oppose and to offer criticism. In fact, we have been led to believe that this was part of the process of arriving at good government in a democracy. Muzzling people by threat smacks too much of gangland tactics; it should not be tolerated.

Hon. Mr. Maloney: Which is it? Should or should not be?

Mr. Innes: Should not be. I continue:

Finally, the present government, or any other for that matter, has little hope of putting farmers or their spokesmen in a spot if there is a trump card for the next election. There is an agreement between farm circles and the board on the broad objectives of farm policy, but there are frequent disagreements on how to achieve these objectives.

To assume farm people are so united that a political party can gain their support by giving them what their organization asks for is foolish, and moreover renounces the government's responsibility to the nation as a whole. What is good for farmers or fishermen or labourers or businessmen is not necessarily good for the nation.

And the editorial goes on to say:

Let there be an end to this current attempt to guarantee a lack of criticism and unqualified support for farm policies by such other means as deception; threat; relegating responsibilities for farm policies decisions to other than elected representatives of the people.

That is the great federal counterpart in Ottawa.

Hon. Mr. Maloney: May I ask the hon. member what document he is reading, and who wrote it?

Mr. Innes: From the *Country Guide*, last edition.

Hon. Mr. Maloney: Who wrote it? Does the hon. member know?

Mr. Innes: The editor. The hon. Minister should look it up; it is a very fine document.

Several hon. members have mentioned the remarks which I made in the Legislature on March 15 last year. I just want to reiterate what the hon. Prime Minister remarked and what I said.

I said that in last Friday's paper we read the Ontario farmers' allied meat enterprises co-operative are contemplating setting up their own selling method. It has been reiterated several times today that the hon. Prime Minister said:

"What does the hon. member think of that? Does he think it is a good idea?"

To this I replied:

"I think it is a good idea."

The hon. Prime Minister replied:

"Nothing sillier than that was ever devised by anyone."

Now this is a quote from Mr. Everett Biggs in Woodstock, February 4, 1961. He was asked the government's position on the farmers' allied meat enterprises co-operative, and his reply was as follows:

We have felt for some time that if we had a couple or 3 plants in Barrie it would improve the position of the producers.

I would like to ask the hon. Minister of Agriculture if he would also agree with Dr. Herb Hannam and his remarks on the reaction to FAME by the leaders of the farm organizations. Dr. H. H. Hannam, as the hon. members know, is the president of the Canadian federation of agriculture. We have had glowing examples of quotes from the Ontario federation of agriculture. This happens to be the Canadian federation:

Farmers are in the grip of a cost-price squeeze and it is not getting any better. If the farmers are to have the economy work in their favour, they must do it through a self-help programme. The type of vertical integration being offered through FAME is a step towards preventing control of agriculture going to non-farmers.

Is it any wonder there is confusion in the ranks of the farming people throughout

Ontario? The hon. Prime Minister states that nothing could be sillier, and yet his Deputy Minister says that he thinks it is a great thing.

I would like to ask the hon. Minister of Agriculture what his position is on this. When I asked him before, he agreed with the remarks which were made by his assistant Deputy Minister. The hon. Minister has stated: "I agree with everything he says and have given him authority to make certain statements."

I would like to ask if he has given him authority to make this remark, and if he has, what is his position on FAME? Does he think it is a good thing or does he think it is a bad thing?

Hon. W. A. Goodfellow (Minister of Agriculture): I am a supporter, and have been for 35 years, of co-operative movements in the province of Ontario. I think there is a place for them if they are well run and properly managed; I think they cannot help but be in the interests of agriculture.

Mr. MacDonald: Why did the hon. Minister not advise the hon. Prime Minister?

Mr. Innes: I would just like to make this remark: Some time when the hon. Minister is in Cabinet, he should state that he is for it. I would say that the hon. Minister intimated that he was for FAME. He said he was for a co-operative movement, and that is a co-operative farming method.

Am I mistaken? I would ask the hon. Minister: is he for it or is he not for it?

Hon. Mr. Goodfellow: I am in favour of co-operatives.

Mr. Innes: Is the hon. Minister in favour of FAME?

Hon. Mr. Goodfellow: I went into the co-operative packing industry very thoroughly when I was in Denmark, and I was very much impressed with what they are doing in Denmark.

Mr. Innes: Does the hon. Minister agree with the statement made by the assistant Deputy Minister of marketing?

Hon. Mr. Goodfellow: I have felt for years that there should be more plants in the province of Ontario. I think there is a place for them.

Mr. Innes: I would suggest to the hon. Minister that the next time he is in a Cabinet meeting that he just whisper to the hon.

Prime Minister that possibly they had better get together on this, because there is enough confusion without the hon. Minister and the hon. Prime Minister confusing it any more.

On Wednesday, March 30, last year, the hon. Prime Minister had this to say, which the hon. member for York South has mentioned:

I am going to be bold enough to say this. I think that a year from now, the hog producers will be on the rails in this province—

They are on the rails all right:

—that they will do just as well, and that their plan—which is the first province-wide plan fraught with all sorts of difficulties—will be successful with the support of this government, which honestly and earnestly has done everything to help them. I prophesy that plan a year from now will be a success.

Hon. Mr. Goodfellow: It will come.

Mr. MacDonald: When the hon. Minister has beaten them into the ground.

Mr. Innes: Now, I would like to ask the hon. Minister of Agriculture and the hon. Prime Minister if this is a success. Do they feel it is a success? I would hope that there would be a little co-operation between the two departments, the marketing board and the hog producers.

The Deputy Minister has mentioned that there is a clash of personalities, and if this is true I think it is very childish that we should have people jumping at each other's throats. Try to get down to being a bit more like men instead of like a bunch of children.

I do not want to dwell on the hog situation at any great length. I am sure that it will come out right in spite of the opposition that the government is giving, and I think that some of the people who have been at the head of the Ontario farm marketing board are to be commended. But, I honestly feel that they have not been doing the job as they should have, in all fairness.

Hon. Mr. Goodfellow: Mr. Chairman, would the hon. member for Oxford tell me where I could find 3 stronger men than the 3 I have selected for the farm marketing board?

Mr. Innes: I said I thought it was a good board.

Hon. Mr. Goodfellow: The hon. member can give me a list—give me a suggestion. Send it to me confidentially and I shall be

pleased to look at it if he can give me the names of more outstanding men, with more experience in farm marketing, than the 3 men who are on the board.

Mr. Innes: I told the hon. Minister I thought it was a good board. But I would say that if they had the say themselves they would do a good job without the interference of the hon. Minister and the hon. Prime Minister. Some time when the hon. Minister is in the Cabinet room—

Hon. Mr. Goodfellow: Does the hon. member for Oxford happen to know the nature and the makeup of George McCague and Hugh Bailey? Are they the type of fellows who are going to be led around by the nose by a Minister, a government, or anybody else?

Mr. Innes: Well, if they have not it has certainly been intimated that they have.

Hon. Mr. Frost: I would just like to tell my hon. friend that the only time I ever spoke to this board, I assured them that we would give them our full support in carrying out their duties. Now that is the whole thing.

Mr. Innes: I will just say this to the hon. Prime Minister:

When the Ontario hog producers' association asked the farm products marketing board how they would like to correct their situation and what suggestions they would make to try to mend their ways, so to speak, the Deputy Minister said, "We will not suggest anything to you because you would shoot it down in flames." Now, I ask hon. members in all fairness: Is that a sensible answer?

I do not care what the makeup of the board is, because I appreciate the fact that they are good men; but I do not think that is a sound statement to make. Suppose I were plowing a field on my farm and the hon. Minister from Middlesex North came along and said: "You are not plowing that field right." Then I asked: "How should I plow it, then?" Suppose he were then to say: "I do not know how you would plow it."

Then I returned: "Well here, you take the plow." Suppose his reply were: "No, I won't do that, but you are not doing it right."

Now, how much sense is there in that?

Well, it is the same situation. The hon. Minister of Agriculture will not give them any idea what he wants them to do.

I am going to get off the hog situation and hope and trust, as we did last year, that it will come out all right. We will see better days; I hope that that will be soon. There are other situations in the province—

Hon. R. Connell (Minister of Public Works): Mr. Chairman, could the hon. member for Oxford tell us who his campaign manager is?

Mr. Innes: Who is my campaign manager?

Hon. Mr. Connell: I was just wondering where he stood on it.

Mr. Innes: I want to inform the hon. Minister that I manage my own campaign. Is that fair enough?

An hon. member: That is not the way I heard it.

Mr. Innes: I would like to draw the attention of the House to another problem that adds to the confusion not only in this government but in their counterpart in Ottawa. In the London *Free Press* recently, Dr. H. L. Patterson, under the heading "Suggests Farmers Abandon Sheep for Food Production," stated:

We may as well face up to the fact that there are some products in which we do not have an economic advantage.

Specifically he named sheep and lamb products and some fruit and sugar:

We should concentrate on those things we can produce well and compete with and, perhaps, import the others.

This, no doubt, indicates provincial policy. However, in Ottawa, the hon. federal Minister of Agriculture (Mr. F. A. Hamilton)—no doubt many of the hon. members on the other side of the House would know this hon. gentleman—disclosed plans for a federal-provincial programme for assistance to the sheep industry, and the cost of transporting commercial ewes and lambs to be kept for breeding purposes, and for the establishment of demonstration plots at strategic points across the country. The hon. federal Minister went on to say that he would encourage farmers to set up economic sheep units in the province of Ontario.

Now, my question to the hon. Minister of Agriculture for Ontario is: Does he think that steps should be taken to encourage sheep raisers in the province of Ontario when his economist says that there is no use in raising sheep in Ontario, and his hon.

counterpart in Ottawa says it is the thing to do?

Hon. Mr. Goodfellow: I think we had better get together and talk the sheep situation over.

An hon. member: Feed my sheep; feed my lambs.

Mr. MacDonald: That is the most intelligent remark I have heard.

An hon. member: The goats are being very well fed, anyhow.

Mr. Innes: I would like to say something about the dairy industry in the province which, as many hon. members know, makes up about 23 per cent or 24 per cent of the farm income of the province. I want to dwell a little on the butter fat differential; many hon. members are no doubt aware of it.

Negotiations have been opened to increase the butter fat differential in the province and, to bring this to the attention of the House, I would like to say that a great deal of trouble has been caused by the differential in the Ontario whole-milk market.

As hon. members know, during the early 1930s it was tied to the price of butter but was frozen at 3.5 cents during World War II. In 1947, a Royal commission recommended that it be tied again to the price of butter. However, nothing was done.

The situation is such now that the federal government pegs the price of butter at 64 cents; yet the 3.5 cent differential allows the dairies to buy butter fat at 35 cents a point.

This situation has created quite a stir throughout the dairy industry. We do have opposition from it, but actually it does not seem sound that dairies should buy fat for 35 cents a point when actually they should be paying 64 cents for it; and it is a situation that has increased the amount of butter on the market.

At the present time, as I mentioned, negotiation is going on; and if satisfactory arrangements are not made by the different producer organizations and, primarily, the whole-milk league, I understand that the milk industry board would have to have some authority to hasten a decision on this matter.

I think it is most important that we give a great deal of consideration to this differential as it is a serious problem. As hon. members all know, butter stocks are climbing and there is no end to the dairies buying more

of the low-priced fat, if they can buy it for 35 cents and sell it for 64 cents.

Hon. Mr. Stewart: Mr. Chairman, will the hon. member permit a question?

Mr. Innes: Sure.

Hon. Mr. Stewart: What does the hon. member's brother think of the proposition he has just presented—the breeder of Jersey cattle?

Mr. Innes: Mr. Chairman, this is quite a personal question. I could not tell the hon. Minister; but for his information, I have both breeds myself, and I am one hundred per cent for a change. I have said so at a Jersey meeting, if that will clarify the situation. Is the hon. Minister from Middlesex North opposed to it?

Hon. Mr. Stewart: The hon. member did not answer my question.

Mr. Innes: I am speaking for myself; I cannot speak for my brother. This is not a family affair, you know. It is getting very personal here tonight, but if the hon. Minister would like to speak to me outside I would be very happy to take him down and visit the whole family some time.

Mr. Nixon: If the hon. member were a younger man, he would not talk that way.

Mr. Innes: A study of the overall milk marketing in the province has been under process in the province for some months, and I understand that results are tentatively in the process of coming before us. I would hope that some statement would be made before the House adjourns on this very important question. I believe the dairymen throughout the whole province are very conscious of this committee and are waiting for its report.

The assistant Deputy Minister, Mr. Biggs, has intimated that the territorial boundaries of the dairy industry may be thrown open throughout the province. This is a situation that the local milk boards in their different locals have objected to very strenuously, and I honestly feel that this would be a step in the wrong direction if the individual locals were denied this opportunity to control their own local.

I do, however, congratulate Mr. Biggs for his attack on the distributors, when he intimated that they were trying to disorganize milk producers. Many schemes have been developed by some distributors to the dis-

advantage of the producers. The large markets are the chief offenders.

It is rather obvious that in many areas some distributors are certainly evading the spirit of the law, if not the downright letter of the regulations. It becomes increasingly clear that strong legislation and policing policies are needed. The milk industry board must exercise its powers and more rigidly enforce the Act to the satisfaction of all concerned.

A step in the right direction would be a central testing station in the Toronto area. Bulk handling of milk has encouraged the bootlegging of milk from one market to another.

As an example, milk supposedly destined for Toronto ends up in a London or Niagara Falls area, or vice versa. Long haulage charges are charged up to the producers in certain cases, when in fact the milk is only travelling 10 or 15 miles.

These are problems which I feel the milk industry board must take drastic steps to eliminate, and to bring these people into line. It is a problem which is confronting many, many shippers throughout the area.

I also would like to congratulate the dairy farmers of Canada for their sales promotion programme. I understand, from the recent meeting in Vancouver, that they have passed a motion stipulating that for 12 months of the year they would contribute a certain portion of their cheque towards the promotion of milk sales throughout the province.

The hon. Minister of Health (Mr. Dymond) today mentioned the need for a greater consumption of milk by the younger people, and he mentioned the 37 scurvy cases in the city of Toronto. I believe possibly the hon. Minister of Agriculture and the hon. Prime Minister might take a good look at co-operating with them, and maybe putting in a school milk programme whereby some of these people throughout the province could get a little bit more of this great food that is known the world over as "the best of them all."

I do feel that the dairy branch has a real task to perform by implementing greater sanitation throughout the whole province. This is something, Mr. Chairman, which I think would overcome a great deal of our surplus product, if we can bring up some of the low-producing areas—the fringe areas. I refer to the areas which are producing only a low shipment of 2 or 3 cans, shipping into cheese and condensed milk plants—bringing them up into the category of the fluid-milk market.

Then, with an opportunity of expanding, they will have an opportunity to get into some other plan at such time as that plan does take place.

I believe an overall milk programme and milk marketing system is certainly a good thing, but it cannot be done overnight. It is going to take years to inaugurate this, and I think we must start with more rigid inspection, all across the province.

I do not want to take much more of the time of the House, Mr. Chairman. I know that some of the other hon. members have some remarks to make, but I shall take the opportunity of saying something on the individual estimates.

I would like to back strongly the hon. member for Grey South on his demonstration that we are in a nation that is overproducing, and that we must reverse our stand on production and get down to a little real selling. I say this in all sincerity; I feel there are many men in The Department of Agriculture who could be cut out of some of the positions they are in now and put out on the road to sell, not only in Ontario but in all the outlets of the world. There is no use advertising products when they are not available. Make them available, and I think we will be back on the rails again in the province of Ontario—not off the rails.

Hon. Mr. Frost: Mr. Chairman, might I just suggest this: On this first estimate we have really wandered all over the lot. I have no desire to restrict any of the hon. members in speaking; as a matter of fact, I hear a number of things which are of interest.

I wonder if we could confine ourselves, from this point forward, to the estimate itself? I have no intention of swaying any of the hon. members; these are important estimates.

But, as to vote 101, I have not heard any hon. member mention anything in relation to the vote itself; it has been all on the general estimate.

I wonder if we could not make a little progress in the items without in any way restricting hon. members?

Mr. J. P. Spence (Kent East): Mr. Chairman, I am not going to be too long. After the remarks that were made this afternoon I would like to say a few words.

After listening to the hon. Minister from Middlesex North, it sounds as if this government has done a magnificent job for agriculture in this province. But I cannot go along with his remarks, Mr. Chairman, because on November 28 the hon. Minister of Agriculture,

in his remarks on unemployment, said that we have 38,000 farmers less than we had 20 years ago. There is something wrong when we have 38,000 farmers less in the province of Ontario than we had 20 years ago.

The hon. member for Grey South explained the agriculture situation very plainly this afternoon when he said the frills cost more than the farmer receives for the product in the can or in the bag. That pretty well sums up the condition of agriculture in this province.

It appears to me, too—and has been admitted by the hon. Minister of Agriculture—that he has been lax in looking ahead at marketing in this province. Marketing has been a problem for quite a number of years now and has been ignored. I believe, in November, it was asked of the hon. Minister if we had anyone in Ontario House in London, England, to represent agriculture, and he said no.

Hon. Mr. Goodfellow: Mr. Chairman, may I straighten out the hon. member for Kent East on this? I saw where he circulated a speech, which he made in the local papers, in connection with Ontario House.

Will the hon. member tell me why we should have anyone in Ontario House trying to sell Ontario farm products, when there were no dollars to buy any export products with? Just the minute that the dollar restrictions were taken off we immediately proceeded to get into the export market—where we were before the war.

Mr. Spence: Did the hon. Minister's study group go to England in the fall and locate markets for tobacco? Have they changed over in that time?

Hon. Mr. Goodfellow: As the hon. member knows, there have been dollar restrictions for years. It has been on a strict quota.

As a matter of fact, the quota was shared by us and the United States on many products, including tobacco, for years. It is only in the last year that the dollar restrictions have been dropped as far as Britain buying from other countries is concerned.

Mr. Spence: Well, what was Ontario House doing in England?

Hon. Mr. Goodfellow: Getting business out to Canada and developing industries out here.

Mr. Spence: They were not doing anything for agriculture over there whatsoever?

Hon. Mr. Goodfellow: There was nothing they could do.

Mr. Spence: Then why did we have displays of agricultural products in those countries if we could not sell them over there? Did we not have displays in London?

Hon. Mr. Goodfellow: No, we just got into that in the last year and a half.

Mr. Spence: I think the hon. Minister could have been looking ahead if he had displays out then; he should have been doing something because he knew the problem of marketing facing the province of Ontario for quite a number of years.

The hon. Minister says that we can grow two blades of grass where we used to grow one. This has been creeping upon us for quite a number of years, and we have stressed from this side ever since I have been a member that we should do more for marketing.

The hon. Minister from Middlesex North stated this afternoon that we were doing everything we could for agriculture, but I might say that I think we have been writing the farmers down in this province. If one looks over the estimates for agriculture in the years 1960-1961, there is 1.62 per cent of the budget of this province devoted to agriculture. If it is an industry that we are concerned about, it makes me feel that this is not enough to be devoted to agriculture out of a budget of nearly \$1 billion.

Yet, it has been intimated this afternoon that this government is doing everything possible for the agricultural industry.

Even a few years ago, when the Liberals were in power in Ottawa, I can quite well remember the hon. Prime Minister standing up in his place and shouting over to us when he did not get what he wanted from Ottawa: "You go down there and talk to your friends." When the budget was brought down in Ottawa in December, we see that the federal estimates are cut for agriculture—the only estimate of all the estimates that was reduced. So it looks to me as if the federal government also is not too interested in this great industry of agriculture.

The hon. Minister has told us that most of the products which are exported—except 2 or 3—come from the province of Ontario; and I think the government is wrong in not voting enough money; they should do something toward finding more markets in the European countries.

I might suggest to the hon. Minister that he should set up a fund. The competition in the world today is very great. We see our good neighbour to the south making a great effort to dispose of a lot of their agricultural products. I suggest to the hon. Minister that there should be a fund for market development.

We should display some of our products in countries where there is a potential market and have men there to sell those products; move into the markets of the world, and then I think he would be doing something for the farmers in this province.

There are other items I would like to discuss, Mr. Chairman. One is the subject of lower rates for licences for farm trucks. I might say the farmers of this province have been asking for this for quite some time.

I believe it was in the brief that was presented to the Cabinet; they were asking for a reduced truck licence for farm trucks. I think that would serve a great need.

We all know the farmer uses a truck a very small number of days in the year. I believe it is only about 25 per cent of the year that the truck is in use.

It would serve a great need in the area of southwestern Ontario, where cash farming is carried on in a big way.

And it would help the trucking industry; put quite a number to work; would help the unemployment situation, and it would bring a great benefit to all the farmers of the province.

It would also be a safety measure on our highways. Many of our farmers are unable, or cannot see fit, to put so much money in the regular fee for truck licences, for farm trucks, because they do not use them very many days of the year; and if this government would reduce the licence, I know many more farmers would buy trucks.

So, without adding too much more, I think the government has not devoted enough money in the estimates of The Department of Agriculture; they are not going to do enough to move into the markets in the European countries.

Mr. P. Manley (Stormont): I would like to make a few remarks at this time, Mr. Chairman, in regard to our problem of agriculture in the province.

I know that this subject is being beaten pretty well, with the various speakers all afternoon and this evening, but I could not very handily sit in my seat and not avail myself of this opportunity of saying something

about the conditions of agriculture generally in the province.

I think we must realize that we have a new way of life forced upon the farm population today, and the farm units are becoming larger, and the farmers fewer.

The population of rural Ontario has declined almost 30 per cent in the last 25 years. Because of modern methods of farming, one man can now handle at least 3 times as many acres as he could 30 years ago.

But what about the future of the family farm, which is our basis of rural life? Will we have to give way to corporate or contract farming? Will we have to lower the standards of today's farmer on the level where he will be working by the day for a large corporation? These are some of the problems that worry the farm people of today.

To me there certainly is a place for the family farm, and we must protect that farm unit in every way we can. We must encourage and assist the rural young people to continue in agriculture.

Mr. Chairman, I think we in the Ontario Legislature today must determine where we are going—if we are going to preserve the family farm, or if we are going to go into corporate farming.

If we are going to protect the young farmer and get him established in rural life, then I think that it is time that we take a look at the situation in the province.

When the hon. Minister without Portfolio from Middlesex North was reading the brief of the federation of agriculture, he did not read some very interesting parts. I would like to put on record some of the things that he neglected to say when he tried to paint the picture to the House, and to the people of Ontario, that, as far as the federation was concerned, everything was quite rosy.

He should have continued on and read a little further, after his introductory remarks. I would like to put him straight on it, and I will quote here, under "Problems and Policies":

In most past submissions to the provincial Cabinet, the Ontario federation of agriculture has dwelt at length on the weakening economic position of the average farmer.

It is questionable whether a repetition of the causes of this situation would serve any useful purpose. Suffice it to say that agriculture is still a chronically ailing industry.

That is what the federation of agriculture

said in their brief to the Cabinet. The hon. Minister did not leave that impression.

Let me quote a little more. The hon. Minister read quotes from the brief that he thought were well for his party and for the government of the day. Now let me quote again:

A prime item of farm expense in almost all sections of the province is the municipal property tax. A comprehensive analysis of the effect of a farmer's tax contribution on his economic well-being, or its size in relation to taxes paid by comparable segments of the economy outside of agriculture, is difficult.

Hon. Mr. Frost: We are appointing a committee—

Several hon. members: The hon. Prime Minister is out of order.

Hon. Mr. Frost: It is all right in committee to do that. Did hon. members not know that that was according to the rule?

Mr. Manley: I beg the hon. Prime Minister's pardon?

Hon. Mr. Frost: However, I only inform the hon. member that we are appointing a committee. We have already obtained from the federation, and we are obtaining from the other organization, a panel of members, and we are forming a committee to work with hon. members to be appointed by ourselves to look into that problem.

I think that is in accordance with the submission. So I would say to the hon. member we have taken cognizance of that, and we are going to go into it most fully; and I am sure that next year in any event we will have a comprehensive report on the problem.

Mr. Manley: Well, I am glad, Mr. Chairman, that the hon. Prime Minister interjected. If I had not been attempting to read it into the record, we would not have had the announcement that there was going to be a committee. We have heard of committees being appointed before that have never brought in a report, as has been demonstrated by the hon. member for Grey South when he was speaking this afternoon. This is going to be another of those committees, I assume.

I would say the hon. Minister from Middlesex North did the farmers and the people of this province a grave injustice in his remarks tonight.

Hon. Mr. Frost: I would say to the hon. member the matter of a committee was

mentioned previously today. The announcement was made at the time, the formation is under way and I imagine we will be able to announce—probably within a short time—the actual personnel of this committee.

Mr. Oliver: Would this committee report to the Legislature?

Hon. Mr. Frost: It will be available to the Legislature.

Mr. Oliver: Who will it report to?

Hon. Mr. Frost: We will table the report.

Mr. Oliver: Report to the government, eh?

Hon. Mr. Frost: We will table the report, sure.

Mr. Oliver: Oh, that is good; we will get it.

Hon. Mr. Frost: We will see that the hon. member gets the fullest co-operation and collaboration.

Mr. Manley: I am very happy that the hon. Prime Minister has given the House that assurance, but let me read on:

Farmers themselves would be primarily concerned with the relationship between municipal taxes and ability to pay. While ability to pay may not be the sole guide to the justness of a tax load, it must have, ultimately, an important bearing. Consider the circumstances which farmers face.

And this is very interesting, Mr. Chairman:

During the period from 1926 to 1946, total annual municipal taxes on owned farm land and buildings in Ontario ranged between \$12.8 million and \$17.4 million. In 1946, when taxes amounted to \$13.9 million, a steady upward trend began.

By 1959, under this government over here, the municipal tax burden on farmers had reached \$42,290,000. This is an increase of more than 200 per cent in 16 years. During the same 16-year interval the net income from farming operations registered an overall gain of only 29 per cent. Does the House get that? Taxes raised by 200 per cent and yet the farm income increased by only 29 per cent.

It is true that there was a depreciation in farm lands and buildings during the same period, but this amounted to only about 73.5 per cent.

On the basis of these few calculations it is easy to see why farmers are exercised.

The hon. Minister also read from the Ontario farmers' union brief. Again he failed to read some of the things that his government does not like to hear, and I quote from the farmers' brief:

We are gravely concerned with the present conditions of our national economy. We fear that the ability of our productive assets to create greater quantities of merchandise than our market can absorb, even while a dangerously high percentage of our work force is unemployed, indicates that a major breakdown in our economy is not far off. We recognize that a country such as Canada cannot live within itself but must trade with other nations. However, we are disturbed by our current heavy imports at a time when substantial numbers of Canadian workers are unemployed.

This is the end of the quote.

Now I ask why the hon. Minister did not read these words into the record. There has been mention, Mr. Chairman—and I do not want to unduly delay the debate, I know it is getting late—but mention was made this afternoon of the quality of farm products. I have said, on many occasions, that if we want to obtain our share of the market, both here in Canada and abroad, we must maintain our quality.

The hon. member for Grey South mentioned that this afternoon, and I was glad that he suggested that the government today should offer something towards a quality product. I think it would be money well spent.

I also want to impress on the government how important it is that we maintain our quality in order to help our markets.

I think we are in a position today, Mr. Chairman, where we should get out and get every prospective market that we can. When one looks at the situation today, it is evident that again hon. members on the opposite side did not bring all the facts forth. I say this because the hon. Prime Minister himself rose in his seat a while ago and he said: "Look at the price of hogs today as compared to a year ago." But he failed to tell the House that, a year ago, cheese was selling for 39 cents and today it is selling for 32 cents. Why does the hon. Prime Minister not put the record straight?

In relation to cheese, Mr. Chairman, I come from a county that produces the most cheese of any county in the province of Ontario. Naturally, I am concerned. I also come from the district that has been winning top honours for cheese for the last several years.

I also admit that I come from a district where we have made some bad cheese. So it points up to me that maybe The Department of Agriculture is not going quite far enough—maybe from the farmers' standpoint, maybe from the plants' themselves, maybe from the instructors' and maybe from the makers'. But I think something has to be done to see that we will manufacture, in the province of Ontario, the very best products we can in order to keep our cheddar cheese in the preferred position that it is today.

In looking for markets, Mr. Chairman, I want to say to the government that during the past number of years they have been saying if they had a different government in Ottawa they could do this and they could do that. I say to the government today that they had better go to Ottawa and see if we cannot get a little bit more cheese exported into the United States.

At the present time, only 500,000 pounds of our good cheddar cheese is allowed into the United States. We can demand a large premium on our type of cheese in the United States, so I say this government is lacking by not putting salesmen in the field to help our marketing board dispose of its surplus.

We, who are sending milk to the cheese factories in the province of Ontario, are holding an umbrella over the other various groups that are producing milk, especially the whole-milk shippers. We in the cheese industry are being taxed one cent on our entire production in order to take care of the surplus cheese that we have to send to Britain.

We found, in our part of the province especially, that what contributes a great deal to the surplus of our product is what comes from the fluid-milk shippers. Mention has been made this afternoon of the fluid-milk men being ready on several occasions to contribute a 5-cent-a-pound levy in order to help us dispose of the surplus. But whenever the legislation has been amended, those in Ottawa who were responsible to see that the proper amendment was made—the whole-milk shippers not being a marketing board—ruled the amendment did not fit into the situation.

I think it is a sad case when a little technicality of that kind will allow a group of people, who want to contribute to their own fund for a very worthy cause, to be refused that position just for the sake of an amendment to legislation at Ottawa.

Mr. Chairman, there are many more things which I would like to touch upon, and I can do it, I think, in the Throne speech. But mention was made this afternoon of the hog

producers' marketing scheme in this province, and the words of the hon. Minister were that they did not like the way in which they were conducting the sale. Mention has been made, also, to the effect that the hog producers were not in accord with the direction of hogs to an assembly yard.

I want to point out to the House that we had the same thing happen when we formed the Ontario cheese producers' association in this province and formed our marketing board there. The factories were shipping directly into the storages and to the buyers' warehouses, and the salesmen of the factories were being paid under the table—the same thing of which the truckers have been accused in regard to hogs in this province.

There was a direction, under the cheese producers' association, where the cheese had to go on the board to be sold, and we have overcome that situation. Under the marketing plan of the cheese producers, we have got the very best price for the farmers of this province producing cheese.

So whenever someone tells us that we must not direct hogs to assembly yards, or that we must not have compulsion marketing, then they are defeating the marketing boards of this province. There is no other way that we can have a smoothly operating board unless we have compulsion as to where the product is going to go.

Mr. Chairman, as I said, the hour is late so I will conclude my remarks with that.

Vote 101 agreed to.

On vote 102:

Mr. Whicher: Mr. Chairman, I would let these remarks go except for the fact that I see no item under the estimates where I could speak about this particular matter. I was very pleased to hear the hon. Minister discuss it this afternoon.

I am referring to the drainage problem in the province of Ontario. I believe he informed us that a committee was going to be set up that would look into the various aspects of municipal drainage and co-ordinate some of the efforts so that the people who are affected by drainage problems in this province would have, at least in their opinion, a better deal.

I would say, Mr. Chairman, that drainage is causing a great deal of general concern in Bruce county which I have the honour to represent, not only amongst the farmers but amongst the municipal officials and the conservationists.

I might explain to the hon. city members, in case they do not know, that in many rural

areas of the province there are drainage schemes that run many miles in length, and even with the best of legislation there are bound to be many objections.

I have been approached, as I say, not only by farmers from my own area but also people from the various conservation authorities who are not at all pleased with the way the drainage laws of our province are being run. I notice that both in the federation report to the Cabinet and in the farmer's union suggestions, they point out that there could be a better way to operate our drainage systems.

I hate to go back to it, Mr. Chairman, but I want to go back to the Kennedy report, which was the Ontario Royal commission on forestry in 1947. I will try not to make my remarks too long, but it seems that there have been many suggestions in that report that have not been carried out.

I certainly am not criticizing the hon. Minister of Agriculture or his department. I feel that this is legislation that has been tossed around into various departments of government. My objective in speaking tonight is to try to get it under some department—preferably, insofar as it affects agriculture, under the hon. Minister of Agriculture.

In quoting from the Kennedy report, one of the things that they criticize very severely is the fact that there are as many drainage Acts, at the present time, as there were in 1947 when this report came out. It is suggested strongly that we should have one drainage Act.

Hon. Mr. Goodfellow: There are 22.

Mr. Whicher: There are 22, are there? It is suggested very strongly that there should be one drainage Act that would tidy up the whole thing, so that a layman would know what Act to go to and what he should do if there was to be drainage in his own particular locality.

I am quoting now from the Kennedy report on page 8, which says:

A large number of statutes directly or indirectly relate to drainage. Of these, there are 5 of primary importance with which municipal officials and others interested in drainage are supposed to be familiar:

1. The Municipal Drainage Act;
2. The Municipal Drainage Aid Act;
3. The Provincial Aid to Drains Act;
4. The Tile Drainage Act; and,
5. The Ditches and Watercourses Act.

The 5 statutes named above all relate directly to drainage.

Mr. Chairman: Might I remind the member that he is out of order? This matter comes under The Department of Municipal Affairs.

Mr. Whicher: No, I am not out of order, sir.

Hon. Mr. Goodfellow: I have no objection. As the hon. member pointed out, there does not appear to be any place else to discuss it; and I think it is a good idea for him to discuss it at this time.

Mr. Whicher: The only reason I brought it up, Mr. Chairman, is the fact that the hon. Minister spoke about it in his remarks this afternoon. I continue to quote:

The 5 statutes named above, all relating directly to drainage, have been amended and reamended throughout the years. They now constitute a maze of technicalities through which even an expert may have difficulty in finding his weary way. There is no valid reason for being obliged to consult 5 different and difficult Acts instead of one.

The complexity of the arrangement perhaps accounts for the misunderstandings or ignorance of the law frequently attributed to municipal officials. This committee has come to the conclusion that all 5 statutes, including The Ditches and Watercourses Act, ought to be consolidated and co-ordinated into one Act, probably to be known as The Drainage Act, and if possible the language should be clarified and simplified.

If this worthy enterprise is undertaken without delay, the new Act could appear in the forthcoming revised statutes of Ontario now under preparation.

Of course, this report came down 13 years ago and nothing has happened since.

But, as I say, I am very pleased that the hon. Minister is going to set up a committee to investigate the possibilities. The report continues:

It is recommended that the 5 principal Ontario statutes relating to drainage should be co-ordinated and consolidated into one drainage Act.

Speaking very much as a layman, Mr. Chairman, I say that I agree wholeheartedly with the Kennedy report, and I wish the hon. Minister every success in the formation of this committee, with the hope that it will be successful in eliminating many of the difficulties that farmers have with drainage in this province.

One of the things that disturbs people in my own particular area is that under the present drainage Acts—I am not familiar as to which one it comes under—at the present time there is no possibility of eliminating or terminating what we might call unwise drainage.

That is, it is in perpetuity; drainage that may have been very wise when started perhaps 50 years ago must carry on, and there is no legal way that this can be stopped.

I respectfully point that out to the hon. Minister and hope that he will bring that to the attention of the committee.

Then, secondly, it takes only one signature to reopen any drainage scheme. If the one farmer or one person, whoever it may be with an interest in any drainage scheme, should happen to ask that it be reopened, why then the municipality must call for an engineer's report and it must be a very comprehensive report; consequently, it becomes very, very costly.

Thirdly, there appears to be no recognition at the present time of conflicting interests. By that I mean that we may be draining a particular portion of land in this province while at the same time the conservationists may want to flood that certain area of land.

An example that may be quoted is the Luther marsh where, I am told, there was draining and flooding actually going on at the same time. This is certainly not a wise measure, and should be brought to this committee's attention.

There is no special co-ordinating body, as far as drainage is concerned, in this province. As an example we have the municipal board who are a co-ordinating body as far as municipal affairs are concerned. Certainly there should be a body such as the municipal board to co-ordinate the drainage in this province.

Fifthly, I would suggest that The Department of Agriculture should have authority over all agricultural drainage. As a matter of fact, inasmuch as most of this drainage is going through agricultural lands, I would suggest that when the new Act is formed it should come under the authority of the hon. Minister of Agriculture.

I do not want to prolong this, Mr. Chairman, but, on the other hand, I have here a resolution from the Sauble Valley conservation authority, which is a new authority in our area dealing with this. I will try to be as brief as possible.

I would like to put this on record in the House because it is their resolution on

municipal drainage. I hope that the hon. Minister has a copy. I have read it carefully and I feel that it covers this field very well. It reads as follows:

RESOLUTION ON MUNICIPAL DRAINAGE

WHEREAS the many municipal drains carried in the Sauble Valley conservation authority area in the past have been carried out without a proper survey beforehand of the harmful effects on conservation of water tables, woodlands and marshlands in the areas drained, and without a survey of the extent of agricultural benefits to be derived;

AND WHEREAS woodlands and swamps are essential to the whole drainage area through regulation of the water table to reduce flooding in the spring and to maintain streamflow in dry times;

AND WHEREAS the Act encourages owners of wetlands purchased cheaply to petition for drains because part of the costs will be carried by adjacent owners not receiving any benefit—

I think, Mr. Chairman, that is self-evident.

It simply means that someone may purchase a farm where drainage is really required, and under the present law they can force this land to be drained. But while they are receiving the great benefit of it the other people are going to have to pay for a great proportion of it. I will continue with the resolution:

AND WHEREAS the municipal drain is unfair to the owners of woodlands and swamp areas, who derive no benefit from the drain and are often damaged by the lowering of the water table, even though they are assessed for the costs;

AND WHEREAS the whole trend of municipal drains is to move the water off the land as quickly as possible without regard for the effect on downstream areas, the result is the gradual increase of flood peaks on the Sauble river, with the consequent damage to downstream owners and municipal roads and bridges; and also to reduce the summer flow, to the detriment of all residents;

AND WHEREAS public monies are being spent by conservation authorities to restore and preserve our surface and ground water, and the benefits of these expenditures tend to be cancelled by unwise municipal drains over which the conservation authorities have little control;

AND WHEREAS there is no legislative authority enabling a council to repeal a

bylaw passed under The Municipal Drainage Act even where it is found that a mistake has been made—

I think that is most important, Mr. Chairman, and I am really surprised that this has not been looked into before. I continue:

AND WHEREAS since the services of a professional engineer are obligatory for a municipal drain petition and the engineer is paid a percentage of the estimated total cost, this basis naturally leads to the enlargement of the drainage project beyond its requirements, which are extra charges to the benefactors;

AND WHEREAS the report of the select committee on conservation brought these abuses to the attention of the Ontario government in 1950 with no results whatsoever to date;

BE IT RESOLVED therefore that the Sauble Valley conservation authority urges amendments to The Municipal Drainage Act as follows:

1. Where the proposed drainage work is to be carried out in a conservation authority area, the authority should be notified in sufficient time beforehand in order to assess the possible harmful effects of the drainage on the conservation of water and woodlands.

2. A provincial tribunal should be established under The Department of Municipal Affairs to serve as an arbiter in the public interest, with the powers to veto a drainage scheme that is contrary to sound conservation principles, and to determine the most economic use that can be made of the land in question and which may mean drainage of good agricultural soils.

3. That this board consist of qualified men in agricultural, conservation and hydraulics to be drawn from The Department of Agriculture, The Department of Planning and Development and the water resources commission.

4. That The Municipal Drainage Act be amended to provide for the termination of a drain, that, in the opinion of the provincial tribunal, no longer serves a useful purpose, or proves more harmful to water conservation than beneficial to agriculture.

5. That the 5 Acts involving drainage be consolidated into one, and simplified and administered by the provincial tribunal suggested above.

6. That lands receiving no benefits from a municipal drain shall not be assessed for construction and maintenance costs. This

revision of the Act will do away with much of the bitterness that prevails in the Sauble authority area.

7. That a drain should be reopened only by a petition of the majority of land-owners in a drainage area, as in the case of initiating a drain.

Mr. Chairman, that is all that I have to say—

Hon. Mr. Frost: Would the hon. member let us have a copy of that?

Mr. Whicher: Yes. Mr. Chairman, that is all I have to say about the drainage situation.

But I want to impress upon the House that I regard myself very much of a layman as far as drainage is concerned. I am concerned deeply with some of the people in my own area who have very justified criticism.

As I said before, I do not think the criticism can be directed against any department of the government. It just seems to be one of those tangles that has become lost in—I should not say the red tape of government—the largeness of government. I would hope that it will be fixed up and that the committee which the hon. Minister mentioned this afternoon will do its best to help this matter out.

Now, Mr. Chairman, most of my remarks could be talked about, while the estimates are coming down, under different numbers that are going to be called. However, we too have the recommendations of the farmers' union and of the Ontario federation of agriculture, and there are just one or two remarks that I would like to make as far as the agricultural situation in Ontario is concerned; and, I believe, as far as the agricultural situation in the whole of Canada is concerned.

I have come to the conclusion that agriculture, to a large extent, is not such that we in Ontario, or in any one of the provinces, can do a great deal about it. We can assess, certainly, instead of knocking on the head, such things as the marketing schemes that we have in the various provinces.

I might say that I agree wholeheartedly with many of the things that were said by the hon. member for York South in relation to his charges that there has been lack of co-operation by this government in their operations with the hog marketing board of this province.

On the other hand, there are many things that we in the province cannot handle. I think the situation, as I see it, is simply this, that we have huge surpluses or at least surpluses, whether they be huge or not; in

some products they are huge and in others they are only a small percentage of the total output.

But we have surpluses of food in this country, and I think the only answer is that the food has to be sold.

I would like to congratulate the hon. Minister on the fact that he, along with his officials and one of the hon. members of this House, went to England and Europe during the past summer attempting to find out the type of foods that they use over there. My only regret, of course, Mr. Chairman, is that this was not done years ago; it is much too late to try to find out what kind of food they use in England or in Denmark or Germany, or wherever this committee went.

Be that as it may, the fact is that the committee went there, and I am glad that they went. For there, Mr. Chairman, is where the food must be sold.

In a country such as ours, where we have 18 million people and are producing millions of bushels of wheat, it is impossible for us to eat all of that wheat. In the United States, which has approximately 10 times the population of Canada, they have 170 million people to eat the food they produce. Here we have 17 or 18 million, so it is perfectly obvious that of the food which we produce surpluses must be sold.

I say that what The Departments of Agriculture need in all the provinces, and particularly what The Department of Agriculture in the federal government needs, are supersalesmen to go to sell these surpluses of food, such as butter, wheat or whatever it may be that we have. We need these salesmen to sell that food to the people of the world, and it should not be a hard job, Mr. Chairman, because there are many people who are hungry.

One of the things which I agreed with wholeheartedly was the recent sale of \$60 million worth of wheat to the people of China. I say that this is very commendable. My criticism, Mr. Chairman, is that instead of selling \$60 million worth of wheat we should keep driving and sell \$100 million worth of wheat.

We want to sell this food to anybody who has the money, and we will not sell it by sitting in the Parliament buildings in Toronto or in the Parliament buildings in Ottawa.

I suggest to the hon. Minister that he take some of his staff—and, my goodness, he has a great staff when one looks over the salaries in the estimates of The Department

of Agriculture in this province—and send some of them on a training course on how to sell, and send them out to the markets of the world to get rid of this food that we have in our refrigerators, in our lockers and storage plants in this country.

Mr. Chairman, one of the criticisms of a plan such as that is simply that, in areas such as China, they do not have refrigeration equipment, nor storage facilities to keep this food that we might send over. I say, Mr. Chairman, that we should build the facilities; we should build the storage plants in Hong Kong or in Japan or in India or wherever it may be that we sell; in Germany or in France. We should build those facilities that will pay off in the long run, because only by selling the surpluses of agricultural products that we have in Canada—not just in Ontario but in the whole of Canada—can we once again get the farmers a reasonable price for their products.

If there is only a two per cent surplus it brings down the price. On the other hand, if we have a two per cent deficit and not quite enough butter or not quite enough wheat, then the price will go away up.

What we want, Mr. Chairman, is to not have any surplus at all. Mr. Chairman, perhaps I have exaggerated slightly. Of course we want a small surplus, but we do not want to have millions of pounds of butter lying around as we have in Canada today.

I say to you, Mr. Chairman, that it should be—obviously there is some reason why it cannot be done—easy to sell this food when we consider that theoretically, at least, about half the world goes to bed a little bit hungry every night.

Mr. Wintermeyer: Two-thirds.

Mr. Whicher: I say to the hon. Minister of Agriculture: Send out these people on his staff to sell it.

I might say this, Mr. Chairman, although in some cases I know this would be hard. We come into difficulties in trading with the various countries of the world. But, on the other hand, would it not be a great thing—we would not necessarily have to give it away—but surely in places like China, where they have starvation, surely there must be some way in which we can get that food, of which we have too much, into the stomachs of those people who are starving to death in foreign lands.

And is it not sensible to think, Mr. Chairman, that by so doing we would make many more friends?

There would be a lot more commonsense in shipping food into these foreign lands than in spending the millions and millions of dollars, many of which in my opinion are wasted, in the national defence effort of this country. That is one way to make friends.

I know it is not as simple as it may sound from behind this desk. But I impress on the hon. Minister to get in touch with the other hon. Ministers of Agriculture across Canada and with his hon. federal brother in Ottawa, and let us see if we cannot sell this food.

Then when we get the farmers on a firm footing in this country of ours, when they have a decent standard of living, then we will have no unemployment in this Canada of ours at all, because it is a proven fact that, where the farmers are successful and enjoying a reasonable level of prosperity, the whole country will prosper.

Hon. Mr. Wardrope: The hon. member makes it sound so simple.

Mr. Whicher: I assure the hon. Minister of Reform Institutions that I am not trying to give this in a derogatory manner or a critical manner. I just say let us try.

A gentleman was telling me today that they took some apples down to the United Nations from the province of Ontario and gave them away to the various members there, and half the people did not even know that we grew apples in the province of Ontario.

Whether that story is true or not, I do not know, but I would not be surprised if it was true.

We must advertise our products. We must send salesmen; as a matter of fact, the hon. Minister of Reform Institutions would be one of the best salesmen we could send out to sell food around the world. As a matter of fact, I think he could do a lot more good there, perhaps, than he could in some of his other endeavours.

We have great salesmen in Canada. We have the food to sell. The old saying goes that there is no one with endurance like the man who sells insurance. Let me say this much, I have been told that insurance is very hard to sell, that a person has to have excellent qualities in order to sell it. Surely it should not be hard to sell food to people who are hungry.

I hope that this government, in co-operation with the other provincial governments of this country, will get together and sell this surplus food of ours under some satis-

factory arrangement. Then the Ontario federation of agriculture would be able to come and pat this government on the back truthfully instead of buttering it up the way that they did here the other day when they appeared before the Cabinet.

Hon. Mr. Maloney: Mr. Chairman, may I ask the hon. member a question? Does he mean the Ontario federation of agriculture representatives who came to the Cabinet were telling lies when they gave us this brief?

Mr. Whicher: I would not suggest that they were telling lies at all. I would suggest this: That when they said the government was doing a good job they were certainly stretching the truth.

An hon. member: They are afraid of the big stick.

Hon. Mr. Maloney: The only people I know who speak with their tongues in their cheeks are the hon. members over there who do not know what they are talking about.

Mr. Whicher: I would suggest to the hon. Minister of Mines that if he would look after the mines in Elliot Lake, and let the hon. Minister of Agriculture look after the farmers of this province, then everybody would be a little happier.

Vote 102 agreed to.

Mr. Wintermeyer: Mr. Chairman, I would suggest for your consideration, now that we are starting on the specific items, that we might adjourn to some other hour.

Hon. Mr. Frost: I was just going to make that suggestion. I might say to the House that perhaps it would be better if we adopted a different method in connection with the estimates.

Actually speaking, since this afternoon, the whole proceeding really has been out of order. Much of the discussion, I point out to the hon. members, has taken place on the marketing branch, item No. 109.

I think perhaps we might give consideration after this to the hon. Minister making a report on his department, and I would think that the hon. leader of the Opposition and the hon. leader of the CCF group (Mr. MacDonald), or someone nominated by them, if they want to speak generally, should do that. Subsequently I think it would be very much better if we confined ourselves to the estimates themselves.

These estimates provide a very great scope for remarks from hon. members, and I think it would make it more in order. As a matter of fact, I do not think there has been any discussion today on vote 101. I just throw that out at this time.

Perhaps we could get a more orderly way of dealing with this because, as I say, the discussion today has really been completely out of order.

On the other hand, I recognize that we have evolved the procedure in the last few years of having the hon. Minister make a general statement in connection with his department. Perhaps that is the wrong way to go about it.

In talking the matter over with the hon. Attorney-General (Mr. Roberts), earlier in the evening, as I understood it he intended in his own estimates to follow the items and speak to them rather than make general remarks.

However, I think that the suggestion of the hon. leader of the Opposition is well taken and I think that I should make the motion, Mr. Chairman, that the committee rise and report certain resolutions.

Mr. L. Troy (Nipissing): Could we ask the hon. Minister a question before we move that, sir?

Hon. Mr. Frost: That is all right, if it will help.

Mr. Troy: I notice last year when the hon. Minister spoke on his estimates, he said:

I think we all realize that perhaps we have made great strides in production in this province and now we are growing 3 or 4 blades of grass where one grew before.

This year, in speaking to the House on unemployment, he made this statement:

Following the organization of The Department of Agriculture, with whose help we have found how to grow two blades of grass where one grew before.

What has happened to this glorious

province in this production? We had 3 blades of grass last year, and this year we have two.

Hon. Mr. Frost: That was a stenographic error.

An hon. member: It was a horticultural error.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks leave to sit again.

Report agreed to.

Hon. Mr. Frost: Mr. Speaker, before moving the adjournment of the House, may I say that tomorrow is a committee day. On Thursday there will be a night session and we will proceed with the estimates of The Department of Labour. On Friday, of course, the House will meet at 10.30, a.m.

I want to make this announcement concerning next week: I propose that the committee day be changed from Wednesday to Thursday. On Monday there will be a night session. I do not have the list of estimates to give the House but I will have them on Thursday. Tuesday there will be a night session. Wednesday we will meet at 2 p.m. but have no night session. Thursday will be a committee day and Friday will be the normal sitting at 10.30 a.m.

I think that will perhaps fit into the scheme of things better next week.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.15 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Sixth Legislature

Thursday, February 16, 1961

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 16, 1961

3 O'CLOCK P.M.

And the House having met.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome, as guests, students from the following schools: In the east gallery, Eastwood collegiate institute, Kitchener, and the Box Grove public school, Markham. In the west gallery and the Speaker's gallery, Stratford teachers' college, Stratford.

Hon. L. M. Frost (Prime Minister): Mr. Speaker, I have here a message from the Honourable the Lieutenant-Governor (Mr. Mackay) signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of certain sums required for The Department of the Attorney-General, The Department of Public Works and The Department of Reform Institutions for the year ending March 31, 1962, and recommends them to the legislative assembly, Toronto, February 16, 1961.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. D. H. Morrow, from the standing committee on private bills, presented the committee's eighth report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill No. Pr1, An Act respecting the Ottawa civil service recreational association.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr28, An Act respecting the city of Ottawa.

Bill No. Pr46, An Act respecting the Tilbury district high school.

Mr. Speaker: Motions.

Hon. Mr. Frost: I move that on Monday and Wednesday next, February 20 and 22, respectively, this House will meet at two o'clock p.m. and when it adjourns on Wednesday it do stand adjourned until Friday, February 24, at 10.30 a.m.

Now, sir, I have explained the purpose of this. Later, before the orders of the day, I will give the House the order of business so that hon. members may be informed.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE BOILERS AND PRESSURE VESSELS ACT

Hon. C. Daley moves first reading of bill intituled, "An Act to amend The Boilers and Pressure Vessels Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is simply to correct a printer's error.

THE FACTORY, SHOP AND OFFICE BUILDING ACT

Hon. Mr. Daley moves first reading of bill intituled, "An Act to amend The Factory, Shop and Office Building Act."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, this bill is to correct a printer's error in the revision of the Act.

THE LORD'S DAY (ONTARIO) ACT, 1960-1961

Hon. A. K. Roberts moves first reading of bill intituled, "The Lord's Day (Ontario) Act, 1960-1961."

Motion agreed to; first reading of the bill.

He said: Mr. Speaker, in explanation of this bill, I would say this is a rewriting of The Lord's Day (Ontario) Act and will repeal the

1950 Act and the Act as amended in 1960. The Lord's Day (Canada) Act which is found in chapter 171 of the revised statutes of Canada, 1952, was originally enacted in substantially the same form many years previously—actually we had Lord's day legislation prior to Confederation and this particular bill appears as a result of a debate in 1905-1906 in the federal Parliament. Incidentally, it is not in force in Newfoundland.

Section 4 and following sections of the federal Act contain the prohibition. Works of necessity and mercy, of course, are not prohibited. Penalties of a minor nature, \$1 to \$40, in the case of individuals; employers from \$20 to \$40; and corporations from \$50 to \$250 are the penalties in the federal Act.

It contains a provision in many of the sections where it outlines prohibition in wording something like this:

It is not lawful for any person on the Lord's day, except as provided herein or in any provincial Act or law, now or hereafter in force to sell—

and so forth. And then, of course, section 16 requires leave of the Attorney-General of the province or his deputy to prosecute in any particular province.

Under the enabling legislation permitted by The Lord's Day (Canada) Act we did in Ontario enact The Lord's Day (Ontario) Act of 1950 which made provision for Sunday sports, excluding horse racing, between the hours of 1.30 and 6 o'clock in the afternoon on a local option basis, after a vote on a question as set out in the Act submitted to the electors and then, if carried, a local by-law would be enacted to give effect thereto.

It contains similar provisions with respect to repeal. I would point out that in both cases, in order to obtain the vote—whether a vote to determine whether to act or whether to repeal—the council of the municipality concerned may act on its own initiative or must act if voters, to the total of 10 per cent of the electors, requisition for a vote either way.

Now in 1960, concerts, recitals, musical performances and so forth of an artistic and cultural nature produced by non-profit organizations were permitted, even when an admission charge was to be made, between the same hours 1.30 to 6 p.m. on Sunday afternoons, and that particular provision enacted by the present House did not require any vote and was province-wide.

Now the present bill repeals the earlier legislation, rewrites it and expands it. First of all, the expansion is on a time basis: 1.30

p.m. until for the rest of the Lord's day, or, on a local option basis again, any portion of the time between 1.30 p.m. and midnight. It is entirely up to the municipality concerned to determine the time within that radius or range, 1.30 p.m. to midnight.

Also by procedures, similar to those required at the present time for obtaining Sunday sports, moving pictures and theatrical performances on a local option basis, are provided for. There again, any municipality or any part of a municipality can be named in which the performances are to take place according to the verdict of the council by bylaw after the vote has been taken.

Also, they can limit it to motion pictures or theatrical performances, or they can have both if they want to go to the extent permitted by the permissive legislation.

The ballot may be adjusted to cover all or part, as I mentioned, and votes that were taken in 1960 and 1961 will not be required to be taken again.

I might mention, for the interest of the House, votes have been taken on the question in substantially the form that the law now permits or will permit if this bill becomes law. The municipalities, which have taken votes already within the 1960-1961 period, would not be required to vote again on the question. They are: Brantford, Cornwall, Niagara Falls, Oshawa, St. Catharines, Toronto, Windsor, Cochrane, Kapuskasing, Oakville, Richmond Hill, Timmins and Plantaganet North and Stamford.

The term "electors" is defined in the Act, and perhaps I should read the definition. It appears in section 1, subsection 7, and the expression "electors" in this section means:

Electors as defined in The Municipal Act, and in a municipality that has the resident voters' list under their municipal franchise extension Act, includes the person on such list.

There will be an amendment to The Theatres Act required in order to tie it in with this Act if the law is to give effect to it. I think the hon. Minister of Travel and Publicity (Mr. Cathcart) will have an amendment to The Theatres Act complementary to this one.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, may I ask the hon. Attorney-General (Mr. Roberts) a question on this? Would lectures be permitted under this now? I am referring specifically to the Assumption university at Windsor holding its Christian culture series of lectures on Sunday evenings.

Hon. A. K. Roberts (Attorney-General): In the wording of the Act, in the rewriting, I would point out subsection 8 of section 2, providing that the expression "concert" in this section does not include a concert of an artistic cultural nature—the non-profit type of concert or other gathering retained as it is at present. Theatres, movie pictures and theatrical performances are added.

Now that is the wording at the present time. In any event, this bill, when it is in committee of the whole, would be open to suggestions of wording.

Hon. Mr. Frost: Mr. Speaker, before the orders of the day, may I advise the hon. members of the House that for next week the proceedings of the House will be this—perhaps I had better go back. Today, of course, The Department of Labour estimates, as the House was advised. Tomorrow, Friday—any matters on the order paper, Throne debate, or we could revert to some of the estimates of The Department of Agriculture.

On Monday, I should like to change the order of things and give the estimates of The Department of Education. Now that comes about from the fact—as I advised the House earlier this month—that the municipalities and the school boards have been advised relevant to the grant system of this year.

I think it is desirable under all circumstances to consider the estimates of The Department of Education on Monday; The Department of the Attorney-General on Tuesday; and The Department of Reform Institutions on Wednesday next. Thursday next will be committee day. On Friday next, we will meet in the ordinary course at 10.30 a.m.

I had another statement to make. Perhaps my hon. friend wanted to ask a question?

Mr. J. J. Wintermeyer (Leader of the Opposition): Tuesday?

Hon. Mr. Frost: Next Tuesday? I am sorry, perhaps I should clarify something further. On Monday, we meet at 2 o'clock according to the motion, and we will consider the estimates of The Department of Education. On Tuesday, we meet at 3 p.m., our time, with a night session on both of those days, Monday and Tuesday. The estimates of the hon. Attorney-General will be presented on Tuesday. On Wednesday, we meet at 2 p.m. according to the motion here, but there will be no night session on Wednesday. On that day, we will have the estimates of The Department of Reform Institutions. I think that clarifies the situation.

Mr. Wintermeyer: Mr. Speaker, I note in this agenda that the hon. Prime Minister will consider the estimates of The Department of Education on Monday.

Now, Mr. Speaker, my recollection is that when we started on these estimates in the fall, it was suggested that we would consider those estimates that were unrelated to the budget. I realize the situation has changed considerably since the latter part of the fall.

However, I know of no department more closely allied to the budget statement than Education. And it would seem to me, with the proximity of the forthcoming conference in Ottawa on Thursday and Friday of next week, it is very questionable whether or not these estimates should be considered prior to the conference, and prior to the time that the budget statement is made.

Mr. Speaker, it would seem that we have sufficient work to fill in the time between now and budget time and that an important department like education should be postponed until the budget is available.

Hon. Mr. Frost: May I say to my hon. friend, of course the great problem of the situation with which we are faced is the question of the university grants and the grants to the school boards. We have notified the school boards that the grant system would be as outlined in the regulations—in which there have been no substantial changes at all.

Of course, no one can foresee the future at this moment, at least the future in some things, and these matters can always be dealt with by supplementary estimates, which could revise the point of view in some of these matters. It seems to me that would be reasonable.

Quite frankly, I had expected that there would have been, around about the middle of January, finality—or, at least, a degree of finality—in connection with the federal-provincial situation. As a matter of fact, I intimated to this House that I had expected that the budget would have been introduced yesterday. That was later than we had anticipated, because we had hoped, with the session in the fall, we would be able to get our budget before the House earlier, but we had to delay those things.

It would seem to me to be desirable that we should proceed with these estimates and let the universities and others know where they stand. I say to my hon. friend that it may be necessary this year to have a special session; I do not know. It may be necessary to introduce certain supplementary estimates;

but I think it would clear the way, and be helpful, if we could follow this procedure.

I agree with him that these estimates are of high importance, and I can assure the House that they have a pretty high dollar value, too. But I think the sooner they are given to the House for consideration the better.

I had hoped to be able to table The Department of Education estimates today but I plan to do so tomorrow morning.

Mr. Speaker, not very often do I say anything to the House about the matter of personal privilege—actually I do not know whether it is that—but I want to make this very brief statement.

My attention was drawn, just a few minutes ago, to a special edition of *The Varsity*, a great newspaper, under date of February 16, which is today.

The hon. Minister of Education (Mr. Robarts) was meeting a group of students from Ontario universities yesterday. My recollection is perhaps there were 8 or a dozen in number, representing a number of the universities—very fine young people—and they were making representations to the hon. Minister of Education relative to points of view they desired to express.

I dropped in myself to the meeting, for a few moments, first of all to meet the students, and, secondly, to tell them that I had a letter from one of their number asking for a grant of \$600 for the national federation of Canadian university students—who are meeting in conference, I think, at Queen's university. I dropped in to tell them that their request for the \$600 was granted, and to wish them well.

I shall not bother the House by reading certain comments in *The Varsity* relative to this meeting, other than to state that my picture is shown in the edition—which does not add to the attractiveness of the edition at all, sir—but my picture is shown in the edition and beneath it is this statement:

"I do not believe in equality of educational opportunity," says Premier Frost to the student leaders.

The statement, I would say to those who know what I have said and what I have done over the years, is both silly and untrue; and I shall say nothing more about it.

In discussing Ontario's educational problems in a very brief compass I said this to them: That presently we had, in our Ontario schools, about 1.25 million students; by 1966 this will have enlarged to about 1.8 million. I pointed out that we had equality of oppor-

tunity as nearly as we could provide it in the elementary schools, where there is compulsory attendance.

I pointed out, however, that in the secondary area, because of the expansion of secondary schools, while there is not compulsion there is almost mass education. In coming to the university level, I pointed out that equality of opportunity—as we use the expression in primary and secondary education—did not apply in the same sense.

At the present time we have, I pointed out, approximately 30,000 students in our universities out of a school population of 1.25 million. It is estimated that our total school population will be 1.8 million by 1966. It is estimated that between 1975 and 1980 our university population will be about 4 times greater than at present and will, by that time, be about 120,000 students.

I stated that obviously university education would not be on a mass basis, but that it would be more and more on the basis—with a larger school population—of selectivity, and this selectivity would be on the basis of ability and merit.

I pointed out that along with that the effort would be to see, as far as possible, that brilliant students were not prevented from attending because of financial circumstances.

Accordingly, it would follow that a brilliant student of poor means may have more opportunity of attending university than one who was not a good student but had very great means; and that, accordingly, equality of opportunity as used in the primary and secondary schools was quite different from that situation which was bound to apply in the universities of Ontario.

This statement is precisely what I said and meant. I make no further reference to the matter of the student newspaper in question other than to say this: That when these things happen, and they are said by a student newspaper, it is the order of things that one smiles, uses the utmost of good humour, and is very happy about it. These things, sir, I do.

Interjections by hon. members.

Hon. W. A. Goodfellow (Minister of Agriculture): Mr. Speaker, on Tuesday of this week in reply to a question, I undertook to produce for the hon. member for York South (Mr. MacDonald) a report of Mr. Clarence Charlton, mentioned in notice of motion No. 4, namely:

RESOLUTION, that there be laid before the House a return showing the report on

the hog marketing board's method of sales prepared for the government by Clarence Charlton.

In accordance with my undertaking I have the report which I am now giving the hon. member for York South.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Education, notice of which has been given through yourself, sir.

The Stoney Creek council and local press, radio and TV, have been greatly disturbed by what appears to be an error in the first edition of *Canada, the New Nation*, a history book of Canada approved by The Department of Education for use in the Ontario schools. The error gives a completely erroneous account of the battle of Stoney Creek in 1812. I would like to read a few sentences for the benefit of the hon. Minister. In the first edition, and we cannot discover the date any place in the edition, on the bottom of page 49 it reads:

At Stoney Creek, 5 miles east of present-day Hamilton, the Americans lost 120 men, including several officers and two brigadier-generals.

In the second corrected edition, which I understand was issued without any notification, on the same page, the same sentence reads:

At Stoney Creek, 5 miles east of present-day Hamilton, the Americans captured 100 prisoners including several officers and two brigadier-generals.

Mr. D. C. MacDonald (York South): It sounds like Moscow; they are rewriting their history.

Mr. Gisborn: Mr. Speaker, my question is, since the department agrees that an error occurred in the earlier edition, can the hon. Minister tell the Legislature whether schools were notified of the error once it was discovered, so that the students could make the necessary changes in their copies of the book?

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, my hon. friend has it the wrong way around. The original edition contained the sentence that he referred to as being in the second edition; in other words, the original edition stated:

At Stoney Creek, 5 miles east of present-day Hamilton, the Americans captured 100 prisoners including several officers and two brigadier-generals.

That statement was in error and was corrected in a printing which appeared in 1960 to read:

At Stoney Creek, 5 miles east of present-day Hamilton, the Americans lost 120 men including several officers and two brigadier-generals.

For the information of the House, in checking with the publisher, I find that—

An hon. member: He is an American.

Hon. Mr. Robarts: This was published by W. J. Gage Limited and written by a Canadian who is presently at the University of British Columbia. The manuscript and the galleys were submitted to several Canadian authorities on history and the original error was not noticed; but it was corrected when it was found.

The hon. member's question is as to whether the schools have been notified. I am told by the publisher that he cannot trace by invoice the individual schools to which the books may have been sent, so he is notifying every school in the province—a general notice, that if they have this book in their school this correction is to be made.

Mr. Gisborn: Mr. Speaker, if I may I would like to ask a supplementary question because it is important. Does the hon. Minister plan to have a third edition printed, because the second edition, although an improvement over the first, has yet some real Alice-in-Wonderland qualities about it. To begin with, the original version reads:

At Stoney Creek the Americans captured 100 prisoners.

The revised version reads:

At Stoney Creek the Americans lost 120 men.

I am glad the historical part has been cleaned up, but just how many were killed, 100 or 120? If it is manufactured we should say so or better still have it a little more factual. But the very important part—and this is where the students will be really puzzled—is that the second edition says:

At Stoney Creek the Americans lost 200 men including several officers and two brigadier-generals.

Then it goes on in the next sentence to say:

Before long they tried the same kind of surprise attack on Beaver Dam but Lieutenant Fitzsimmons, the young Irish officer in charge, was ready. He surrounded and captured the Americans.

Certainly the whole thing should be re-edited and cleared up, because it will certainly confuse the students who are going to be guided in our great Canadian history by this type of textbook.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day I would like to draw the attention of the Legislature to the fact that the hon. Prime Minister on February 7 undertook to table answers to a series of questions. I think, at the time, he said the answers were voluminous and therefore that he would make them returnable. It has been drawn to my attention that they still have not been received by the clerk's office.

Hon. Mr. Frost: They are all ready. They are tabled. They are available.

Mr. Wintermeyer: They are available?

Hon. Mr. Frost: Yes, since this morning.

Mr. Wintermeyer: Mr. Speaker, there is a second matter that I would draw to the attention of the House, and in this instance I realize, Mr. Speaker, I have not complied with the rules. But it has again been drawn to my attention that in Fort William, Canada Car Company has lost a very substantial contract to the city of Montreal; a military contract.

This is not a matter that is debatable here, nor under the immediate jurisdiction of this Legislature. But, Mr. Speaker, I would draw to the attention of the Legislature that I think this Legislature should protest to the federal government the habit of moving to Montreal military contracts that could be manufactured in Fort William at Canada Car Company.

I realize that a good many civilian contracts have not been moved because of transportation costs and the like. But certainly, where military and public monies are used, the government should use those public monies to manufacture products in areas hit currently with unemployment, such as the Lakehead.

I suggest, Mr. Speaker, to the hon. Prime Minister, that he use his good offices and influence to try to persuade the federal government to change its mind with respect to a recent contract which was originally intended and designed for Fort William and Canada Car Company, and has now been allocated to a Montreal firm; I guess the same firm, but in Montreal. It would seem to me that this is contrary to good governmental policy.

Hon. Mr. Frost: Mr. Speaker, I myself have, and with the hon. Ministers here, made, as we thought, very forcible representations in connection with the Canada Car Company matter. And when I learned of the transfer of certain items in—I think it is the "Bobcat" programme—I immediately instituted inquiries, and I certainly intend to press the matter. I think it is very unfortunate to take this business away from the Lakehead.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Mr. A. J. Reaume (Essex North): Mr. Speaker, I move, seconded by Mr. A. Wren, that the motion that Mr. Speaker do now leave the chair, and that the House resolve itself into committee of supply, be amended by adding the following words:

With the agreement of the House that the members be given the opportunity during the consideration of the estimates for full discussion of matters relating to unemployment.

Mr. MacDonald: Mr. Speaker, before you make your decision on that, I had another motion which I would like—

Mr. Speaker: Order.

Mr. Wintermeyer: Mr. Speaker, the motion is not admissible. Only one amendment is permissible on a motion to go into supply.

Mr. Speaker: I will deal with this—

Mr. H. C. Nixon (Brant): He has not read the motion yet.

Mr. Speaker: Mr. A. J. Reaume moves, seconded by Mr. A. Wren, that the motion that Mr. Speaker do now leave the chair, and the House resolve itself into committee of supply, be amended by adding the following words:

With the agreement of the House that the members be given the opportunity during consideration of the estimates for full discussion of matters relating to unemployment.

Now, I find that I must rule this amendment out of order for several reasons. One is that the matter of unemployment has been and is still being fully discussed in the House under order No. 32, the motion by Mr. R. E. Sutton. I know that in the consideration of all estimates it is quite well known in this House that the utmost latitude is given to all

members in discussing all phases of the estimates. Therefore, on that basis, I rule that this amendment is out of order.

Mr. Reaume: I wonder if I might just point out one thing. On page 158 of Lewis—

Hon. Mr. Frost: It is not debatable.

Mr. Reaume: Well now, I am talking to Mr. Speaker. Will the hon. Prime Minister cut that out?

Mr. Speaker: Order. Order.

Mr. Reaume: Well, I am getting sick and tired of it. I just want to point out something and the hon. Prime Minister says, no.

In order to amend the motion to go into a committee of supply, on page 158 of Lewis, it says this:

Going into supply being a recognized time for stating grievances.

Now, it is quite clear there.

Mr. Wintermeyer: Just a moment. Mr. Speaker, I quite realize that technically I am out of order in speaking, but we are out of order half the time—

Mr. Speaker: We have given all members an opportunity to discuss and debate matters of this kind. But at the present time I ruled this out of order and at this point I thought it was closed.

Mr. Wintermeyer: The only thing we can do is to challenge the ruling.

Mr. Reaume: Mr. Speaker, it states quite clearly on page 158, if you will open the book. Open the book!

Mr. Wintermeyer: Mr. Speaker, constitutionally and historically this is one of the most privileged opportunities of the Opposition.

Mr. Speaker: All those in favour of the Speaker's ruling will please say "aye." As many as are opposed will please say "nay."

Call in the members.

Mr. Speaker's ruling was upheld on the following division:

YEAS	NAYS
Allan	Belanger
(Haldimand-Norfolk)	Bryden
Allen	Bukator
(Middlesex South)	Chapple
Auld	Davison

YEAS

Beckett
Belisle
Boyer
Brown
Brunelle
Carruthers
Cass
Cathcart
Cecile
Collings
Connell
Cowling
Daley
Downer
Dymond
Edwards
(Perth)
Evans
Frost
Fullerton
Gomme
Goodfellow
Grossman
Guindon
Hall
Hanna
Haskett
Janes
Johnston
(Parry Sound)
Johnston
(Carleton)
Lawrence
Letherby
Lewis
Macaulay
Maloney
Morrow
Myers
McNeil
Nickle
Noden
Parry
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Simonett
Stewart
Sutton
Warrender
White
Whitney
Yaremko
—57.

NAYS

Edwards
(Wentworth)
Gisborn
Gordon
Innes
MacDonald
Manley
Newman
Nixon
Oliver
Reaume
Singer
Sopha
Spence
Thomas
Thompson
Trotter
Troy
Whicher
Wintermeyer
Worton
Wren
—26.

Mr. Speaker: I declare the ruling upheld.

Hon. Mr. Frost: Mr. Speaker, I would just like to say at this time there is a motion on the order paper, No. 32, moved by hon. A. Grossman and seconded by hon. W. A. Stewart.

Mr. E. Sopha (Sudbury): What order of business is the hon. Prime Minister speaking of?

Hon. Mr. Frost: Just a moment, and the hon. member will find out.

Mr. Sopha: Mr. Speaker, may I raise a point of order?

I am asking you, sir, on behalf of the dignity of this House. May I raise a point of order?

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Sopha: Mr. Speaker, my point is this: the hon. Prime Minister, a few moments ago, moved that you do now leave the chair and the House resolve itself into committee of supply. Whereupon the hon. member for Essex North got up and moved an amendment. That amendment has been lost so, presumably, we are still at the stage of the motion the hon. Prime Minister put. What order of business does he speak to now?

Hon. Mr. Frost: All I wanted to do was this—

Interjections by hon. members.

Mr. Speaker: Order. The member has asked a question. The motion is that I do now leave the chair and the House resolve itself into committee of supply.

Mr. MacDonald: Mr. Speaker, on the motion of the hon. Prime Minister as moved—

Mr. Speaker: Order. I have just put the motion and I think the Prime Minister is entitled to speak to his motion.

Hon. Mr. Frost: All I want to make, Mr. Speaker, is a simple statement—

Interjections by hon. members.

Mr. Speaker: Order. I would point out to members that I am calling for order. It has always been customary to allow privilege to the leader of the House and to the leader of the Opposition.

I already conceded a point to the leader of the Opposition. He asked a question which was not submitted here in the routine way, and I felt that in the best interests of

the House we would allow the question even though it was out of order.

I believe that we cannot be too rigid, and I believe at this point there is a motion before the House. An amendment to the motion that the Speaker leave the chair has been voted down.

Mr. MacDonald: Mr. Speaker, if it has been voted down, I have the privilege of introducing another amendment, which I propose to do.

Mr. Speaker: Only one amendment is allowed on going into supply. An amendment was moved and it was voted down; we have no amendment on the motion.

Mr. MacDonald: I move, seconded by Mr. T. D. Thomas, that all the words after "that" in the motion that the Speaker do now leave the chair and the House resolve itself into committee of supply be struck out, and the following be substituted therefor—

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Speaker, is it permissible under the rules of the House, once an amendment to the motion has been voted down, that another amendment may be moved?

Mr. MacDonald: Mr. Speaker, may I read the substance of my amendment: That this House do now deal with Order No. 32 on the order paper dated February 16, 1961, resuming the adjourned debate on the amendment to the amendment to the motion that in view of mounting world competition, and so on. In other words, the unemployment motion.

I want to submit to you, Mr. Speaker, that your last motion was technically right but morally wrong. The motion which I have made is both technically and morally right.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. MacDonald: May I draw to your attention, Mr. Speaker, that on March 22 and 23, 1949, an amendment on going into supply was moved in this House by the hon. member for Grey South (Mr. Oliver), moving that all of the words after "that" be struck out and the following be substituted therefor:

That this House do now deal with provisions of Bill No. 135, "An Act to amend The Executive Act."

In other words, Mr. Speaker, the traditional rules of the House permit the Opposition to air a grievance on going into supply—

Mr. Reaume: Well, that is what I said.

Mr. MacDonald: And the grievance I am moving is of precisely the same pattern as the grievance that was moved by the hon. member for Grey South some years ago and was accepted by the Speaker of the House.

Before you make any decision on this, Mr. Speaker, I think it is time that we in this House examine one of the basic traditions of Parliament. The last time this kind of motion was moved in the House, when the law of Killaloe was officially unveiled, the hon. Prime Minister got up and said, in effect: "You may have gone into all of the rule books, but it is not the law in Killaloe."

Mr. Speaker, before you make your ruling, I want this House to remind itself what the traditions of Parliament are. I am now, Mr. Speaker, giving—

Mr. Speaker: Order, order.

Mr. Wintermeyer: Mr. Speaker, you permitted no debate on the first amendment and I suggest you had better rule on this one immediately.

Mr. Speaker: Order. I wonder if the member will despatch the amendment to the Speaker's chair so that I can see it at this time. I am sure the member cannot pre-judge what I am going to say about this amendment—

Mr. MacDonald: Mr. Speaker, while you are contemplating that, I would like you and the House—

Interjections by hon. members.

Mr. Speaker: I would point out to all members that we are hearing a great deal this afternoon about rules and dignity and procedure. And I would like to point out to the members that we cannot have dignity and procedure in this House if the members persist on standing on their feet when the Speaker is on his feet.

Mr. MacDonald: Mr. Speaker, before you make your ruling, I would like to cite a number of reasons which are out of the traditional rules of Parliament as to why this is in order.

Mr. W. B. Lewis (York-Humber): No, the hon. member must make the amendment and discuss that after, not now. He cannot pre-mise his amendment. No, he cannot do that.

Mr. MacDonald: Mr. Speaker, it is within the rights of a member of Parliament to cite

the reasons as to why he is moving an amendment. This is a traditional right of Parliament. Of course it is.

Hon. A. Grossman (Minister without Portfolio): It is not the right of an hon. member to say the Speaker is morally wrong either. When can he make an infringement on the honour of the House?

Mr. MacDonald: Is that right?

Interjections by hon. members.

Mr. MacDonald: Mr. Speaker, may I continue—

Mr. Speaker: I will allow the member to quote one citation.

Hon. Mr. Frost: Mr. Speaker, might I ask the hon. member—

Mr. MacDonald: No, I have the floor.

Hon. Mr. Frost: I am only endeavouring to help the hon. member. He will find that in a minute.

Mr. MacDonald: Mr. Speaker, since you have restricted what I thought was the privilege to anybody who was trying to substantiate a motion being in order, and I can only quote one rather than all 3, I am choosing Bourinot, which is found on page 419. It is the most lucid and perhaps forthright; the other citations support it further:

On this point it is observed by an eminent authority that the ancient constitutional doctrine that the redress of grievance is to be considered before the granting of supplies, is now represented by the practice of permitting every description of amendment to be moved on the question for the Speaker leaving the chair before going into committee of supply or ways and means. Upon orders of the day such amendment must be relevant. But here it is permitted to relate to every question upon which a member may desire to make a motion.

In other words, Mr. Speaker, the field is wide open when you are going into supply for members of the Opposition to move a motion dealing with something that is their grievance. Now, Mr. Speaker, the amendment that I have moved, I submit to you, is foursquare in terms of a precedent in this House more than 10 years ago; namely, that we should now deal with the matter that is on the order paper, and that matter on the order paper is a debate on unemployment which this government has

sidetracked, postponed and frustrated for two months, because of their—

Interjections by hon. members.

Mr. Speaker: Order. Moved by Mr. D. C. MacDonald, seconded by Mr. T. D. Thomas: That all the words after “that” in the motion “that the Speaker do now leave the chair and the House resolve into committee of supply” be struck out, and the following be substituted therefor:

This House do now deal with Order No. 32 on the order paper dated February 16, 1961, Resuming the adjourned debate on the amendment to the amendment to the motion, that in view of mounting world competition and its effects on industry, particularly secondary industry, with its incidence of unemployment,

BE IT RESOLVED that while trade and commerce are within the competence of the federal Parliament, every effort be made in every sector of the provincial economy to co-operate with federal departments and business generally to market our goods at home and abroad,

AND THAT this House urges that the initiative be taken by business, industry and labour and as well all levels of provincial government within the area that they can constitutionally operate to further and increase employment and job opportunities in Ontario.

Now that is the amendment.

Hon. Mr. Frost: Might I say before you make any ruling, sir, that what I have endeavoured to say for this last half hour, and I have been shouted down and I have been—

Interjections by hon. members.

Hon. Mr. Frost: Well, Mr. Speaker, all I have endeavoured to say in my own quite inoffensive way was this: that we intended to call this motion at 10.30 tomorrow morning.

Several hon. members: Hear, hear.

Hon. Mr. Frost: That is all there is to it. The amendment will be called at 10.30 tomorrow morning.

Now I have endeavoured to say that; I told the hon. member for York South that I was only endeavouring to do something to help him.

The raucous hon. member for Sudbury shouted me down and pointed his finger at me and all of this, but all I was endeavouring to say was this: that the amendment will be called at 10.30 tomorrow morning.

Mr. MacDonald: Mr. Speaker, why did not the hon. Prime Minister tell the House—

Hon. Mr. Frost: They would not let me tell the hon. member.

Mr. MacDonald: Mr. Speaker, I rise on a question of privilege. A few moments ago the hon. Prime Minister told us that tomorrow we would take anything on the order paper—

Interjections by hon. members.

Mr. Speaker: I would point out—

Hon. Mr. Frost: Mr. Speaker, tell me this—

Hon. Mr. Yaremko: Mr. Speaker, before you announce your decision—

Mr. Speaker: Is this on a point of privilege?

Hon. Mr. Yaremko: It is on a point of order, Mr. Speaker. Mr. Speaker, on a point of order, the hon. member for York South definitely does not know the meaning of “foursquare” or “falling within the four corners of rules.” Before you announce your decision, I would read for the benefit of the House—

Interjections by hon. members.

Mr. Speaker: Order, order.

I would point out that in this House, over very many years, it was not the custom for the leader of the government to actually advise the House on future procedures. Now just a minute. On the basis as mentioned now I rule this amendment, as the other one and for the same general reasons, is out of order.

Mr. MacDonald: Mr. Speaker, for two months the hon. leader of this government has led us up the garden path on this issue. Therefore I have no alternative but to challenge your ruling—

Interjections by hon. members.

Mr. Speaker: All those in favour of the Speaker’s ruling please say “Aye.” All those opposed will please say “Nay.”

Call in the members.

Mr. Speaker’s ruling was upheld on the following division:

YEAS	NAYS
Allan	Belanger
(Haldimand-Norfolk)	Bryden
Allen	Bukator
(Middlesex South)	Chapple
Auld	Davison

YEAS

Beckett
Belisle
Boyer
Brown
Brunelle
Carruthers
Cass
Cathcart
Cecile
Collings
Connell
Cowling
Daley
Downer
Dymond
Edwards
(Perth)
Evans
Frost
Fullerton
Gomme
Goodfellow
Grossman
Guindon
Hall
Hanna
Haskett
Janes
Johnston
(Parry Sound)
Johnston
(Carleton)
Lawrence
Letherby
Lewis
Macaulay
Maloney
Morrow
Myers
McNeil
Nickle
Noden
Parry
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Simonett
Stewart
Sutton
Warrender
White
Whitney
Yaremko

-57.

NAYS

Edwards
(Wentworth)
Gisborn
Gordon
Innes
McDonald
Manley
Newman
Nixon
Oliver
Reaume
Singer
Sophia
Spence
Thomas
Thompson
Trotter
Troy
Whicher
Wintermeyer
Worton
Wren
-26.

Hon. Mr. Frost: Mr. Speaker, I again say to the hon. members of the House that tomorrow morning at 10.30 o'clock we shall proceed with the amendment to the motion standing in the name of the hon. member for York-Scarborough (Mr. Sutton); No. 32.

It being 4.30 o'clock, and an hour and a half having elapsed, perhaps we could proceed with the motion.

Mr. Speaker: The motion is that I do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to; House in committee of supply.

Mr. L. Troy (Nipissing): May I call the attention of hon. members to the east gallery where we have the orchestra of Chippewa secondary school of North Bay, who will be competing tonight in the Kiwanis festival at the Eaton auditorium. The orchestra is under the direction of Mr. A. S. Duncan of the school staff.

ESTIMATES, THE DEPARTMENT
OF LABOUR

Hon. C. Daley (Minister of Labour): Mr. Chairman, I had hoped to approach this House with these estimates when there was just a little more quiet, relaxed attitude rather than approach hon. members of the Legislature after the disturbance that has been going on.

I shall endeavour, as I proceed, not to disturb hon. members further. I assure them of that.

At this time, I intend to be comparatively brief in my preliminary remarks as I believe an examination of the estimates themselves will afford ample opportunity so that every hon. member will be given time for discussion. However, I do have a few general remarks I would like to make.

I have always believed one of the responsibilities of The Department of Labour was, in addition to administering numerous Acts, to maintain a good climate for industry in this province. I am going to name the Acts that fall within our jurisdiction:

They are The Apprenticeship Act; The Athletics Control Act; The Boiler Inspection Act, 1951; The Department of Labour Act; The Elevators and Lifts Act, 1953; The Factory, Shop and Office Building Act; The Fair Accommodation Practices Act, 1954, and The Fair Employment Practices Act, 1951; The Female Employee Fair Remuneration

Mr. Speaker: I declare the ruling upheld.

Act, 1951; The Hours of Work and Vacations With Pay Act; The Industrial Standards Act; The Labour Relations Act; The Minimum Wage Act; The Ontario Anti-Discrimination Act, 1958.

There are also The Operating Engineers Act, 1953; The Bread Sales Act; The Building Trades Protection Act; The Employment Agencies Act; The Government Contract Hours of Work and Wages Act; The One Day's Rest in Seven Act; The Public and Other Works Wages Act; The Rights of Labour Act; The Trench Excavators Protection Act, 1954; and The Workmen's Compensation Insurance Act.

Those are the Acts that the department has under its jurisdiction to administer. But, as I say, in addition to that responsibility, I think that one of the responsibilities of the department is to endeavour to maintain a good climate in this province for industry. I think one would have to agree, because of the sensational expansion of our industry throughout the years and our continually increasing standard of living, that Ontario has had a good climate for industry, which includes industry and its workers.

No industry can survive and grow without satisfied workers, or under discriminatory or repressive legislation. I think the legislation, which has been sponsored by the government, should always be fair, reasonable, practicable, enforceable and minimum. It should be, as it were, a set of rules to which industry and labour—neither of which can live without the other—can work and improve by negotiation. This, after all, is the proper way for interested parties, sitting face to face around the table discussing their problems; each realizing the other has problems too.

The Department of Labour furnishes, through its department, the labour relations board, the conciliation officers, conciliation board, a number of highly trained personnel to assist labour and industry, from certification to the signing of agreements, and in disputes arising therefrom.

I would like briefly to give the House an idea of the work load of the conciliation procedure: Disputes and conciliation pending at the beginning of the fiscal year, 247; incoming disputes assigned to officers during the year, 1,019. The total work load disposed of during the fiscal year was 1,033 disputes, and, at the end of the fiscal year, there were 233 pending.

Hon. members can see that there is a tremendous amount of work to be done in that connection, at both the conciliation officer and conciliation board stages.

I am happy to report that at the week ending February 4, there were only 5 strikes in this province, involving a total of 146 men and women; I think that is a very good position for an industrial province of this magnitude to have only 146 men and women out on strike.

At this point, I would like to pay tribute to the men to a great extent responsible for this: the men of the labour relations board and of the conciliation board headed by Professor Finkelman and Mr. Fine.

And I would like to say, in connection with the entire staff of The Department of Labour, that, in most every activity, they are skilled men; skilled in their work, they are, in my opinion, doing a very good job and I want to pay tribute to them.

In my 18 years of administering the department, I have been the subject of much criticism—probably more than any other Minister—because I am dealing every hour of every day with people with different views. Some say our legislation and actions are slanted in favour of labour; others say they are slanted in favour of industry. I say that our actions have been slanted in no particular direction but are designed to maintain peace in industry in the interests of the people of this province.

I would draw to hon. members' attention that, some time ago, I was severely criticized in one of our newspapers about my actions in a couple of activities that were proceeding at that time. In the case of the strike of the teamsters and ready-mix people, my actions in that—and I had to make quick decisions on these things—resulted in the strike being called off after only one day, and work has been carried on normally with no trouble ever since.

With respect to the most recent strike of services in the Metro area, my decision, similarly criticized in the same paper, had the net result of making the strike unnecessary. My pressure on the unions to stay in a legal position, and on the municipality, certainly made the settlement possible.

I want to draw to hon. members' attention that we are in a vulnerable position when we make decisions in connection with these various contentious matters. Some 40,000 construction workers would have been involved.

I say to any hon. member in this House that it is his right to introduce legislation; some have already been introduced, calling for various things such as shorter hours, increased holidays and all these things. But I

say that it is the duty of the government to deal with these matters.

I can assure hon. members that nothing can swerve us from our course, which is to maintain sound stable government in this province so that we can continue to be known as a province with a good climate for industrial expansion. I assure you, Mr. Chairman, that when the time comes and the conditions are such that improvements can be made, we will make them. You can be sure of this.

Something that appeals to me as rather humorous was mentioned here in the House by one of the hon. members: In a statement I made to the carpenters' union, when I was hearing their submission, my language was said to be hardly parliamentary. I admit that. But it is nevertheless true, I think, to ask, how much can one stand when a group couch their language as was done in that brief? Sound criticism, constructive criticism, is always welcomed by this government, which in my experience of 18 years has never refused to hear and profit by such criticism. I have profited by that criticism.

But when a brief, such as was presented to me that day, was designed purely and simply to embarrass the municipal government, the school board and the government of this province by trying to inculcate into the minds of thousands of our people that none of these levels of government I have mentioned cared one iota for the welfare of their children attending school in this province, then I say it was pure bunk—or whatever it was I called it that day.

I can assure the mothers and fathers of our schoolchildren that every care is being taken, to protect their children from harm, by all levels of government.

I think I should say just a word about unemployment. I think the situation in which we find ourselves has given all of us great concern at all levels of government—municipal, provincial and federal—who, I am satisfied, are doing everything possible within their ability and resources to cope with the situation.

However, I do see some definite rays of hope for the future in the report of the engineering services branch of The Department of Labour.

This, of course, I get quite regularly; it is a report of the examination of plans for proposed buildings—office buildings, factory buildings, new buildings or enlargements—and it covers the reports of buildings of a value of \$100,000 or more. It does not deal with every little piece of building that is

going up in the province, of which there are many thousands, but I think this report is very encouraging.

For this year, 1960-1961, they examined and approved new structures to be built valued at \$187,493,600, and that is the highest ever in the history of the province—with the exception of the one year of 1958 when it was \$214 million.

But, since these tabulations were first gathered in 1940, it has increased from \$24 million to \$187 million this year; so hon. members can see that the future indicated by these totals certainly does not encourage pessimism; but rather inspires one to optimism, for it is evident a great number of people have unbounded faith in the future of this province.

One little thing which might be of interest to hon. members is that, at Queenston-Lewiston, there is a new bridge in the course of construction right at this minute, crossing the international waterway. That, in itself, is about a \$16 million to \$18 million job, half of which, because of the contract being let that way, will be in Canada. Half the bridge will be in Canada, so half of the steel and everything else will be purchased from Canadians, and will help steel, concrete and all construction industries.

Certainly I would not try to impress anyone that the situation at the moment is good; but I do not think the future looks too bad.

As I have already said, this is the eighteenth time that I have presented the estimates for The Department of Labour to this House. These estimates have been carefully prepared by my staff, they have been supervised and approved by the Treasury as representing the money that is required to operate this Department of Labour, and I request hon. members' approval for the various amounts.

Mr. A. J. Reaume (Essex North): Mr. Chairman, I want to say at the outset, as I have often said in the past, that this is one of the most important departments which function in the province; and it seems an utter disgrace that only 14 hon. members on the side of the government are in their actual seats when these important estimates on The Department of Labour are being discussed.

Several hon. members: Hear, hear.

Mr. Reaume: Mr. Chairman, with 146 people out on strike in the province, I think that speaks well; I think that is a very good sign. It would indicate that the work of

the department at the moment, at least, is not as heavy as it has been in the past.

But we must bear in mind, I think, one important thing. This very year is the year that many agreements, many important ones, will be discussed around the table and the hon. Minister may—I am hoping that he does not—but he may have some trouble before it is all over.

That is why we have, year after year, been urging upon the government to call union leaders together in company with high officials of industry under the auspices of the government and try to create, if they can, a more friendly atmosphere than there is at the moment.

The hon. Minister might, I think, tear a page from the book of a man who recently has been appointed Secretary of Labour in the United States—Arthur Goldberg. Back in March of 1959, the hon. leader of our party (Mr. Wintermeyer) quoted page after page of statements which were made by Mr. Goldberg in this matter of trying to get industry and labour together, trying to find some common ground upon which they could stand; and I think the hon. Minister said at that time:

I would just like to say this: That I agree entirely with the statements of Mr. Goldberg.

Now, do not forget, sir, that Mr. Goldberg was advocating only the creation of a better atmosphere among employers and employees; and if Mr. Kennedy—who, after all, is president of a country of 180 million people—if he thought that Arthur Goldberg was a sufficient authority on labour matters that he should appoint him as Secretary of Labour in that great country, I do not know why the hon. Minister should be so backward in tearing a page from his book.

As a matter of fact, although he has been hon. Minister for 18 years there might be a few things yet that he might learn.

Hon. Mr. Daley: Mr. Chairman, might I ask the hon. member a question?

Mr. Reaume: Sure; the hon. Minister may ask a question.

Hon. Mr. Daley: Is the hon. member not just taking some one sentence out of Mr. Goldberg's remarks and saying I said that?

Mr. Reaume: No, I disagree.

Hon. Mr. Daley: I knew Mr. Goldberg at that time; and at that time he was a great labour leader.

Mr. Reaume: Well, now, all I said was that it might not be such a bad idea if a Minister of Labour in a province of approximately 5.5 million people should tear a page from the book of a man who is Secretary of Labour of a country of 180 million people, where the problems are mountains in comparison to the problems here.

I want to say one other thing about The Department of Labour. The hon. Minister has brought it up so I know that I am in order. I had no intention of talking about unemployment, but inasmuch as the hon. Minister has made reference to unemployment, I want to say a few words about it.

Not only in Ottawa but in other provinces of the Dominion, there is a specific department under a responsible Minister of the Crown answerable to Parliament where unemployment matters are taken up and are handled.

In Ottawa there is no question about it. Unemployment in the whole field comes under the direction of the hon. federal Minister of Labour (Mr. Starr). He is the responsible hon. gentleman who answers to Parliament on matters of unemployment.

In this province—I do not know why—there apparently is no interest in unemployment at all. I am going on to say a few more words about that, because the hon. Minister has none—for the government, I am speaking about, sir. The Ontario government has not, at any interval in the last 5 years, or indeed 9 years, done anything about trying to bring the matter of unemployment under the direction of a responsible Minister.

If one wants to talk about unemployment, one meets a few Ministers of the Crown, and after meeting them, one wonders who really is unemployed. The only difference one can draw between the hon. Ministers who are trying to deal with the matter of unemployment and the poor unfortunate men on the opposite side of the table who find their way into some room, is the fact that those people who are there for the purpose of presenting a brief are drawing unemployment insurance—married men—at the rate of about \$36 a week, while the hon. Ministers of the Crown are drawing some \$21,000 a year.

I am not arguing with that, but I do make this observation. Not so long ago, I suppose 100 people met with the hon. Ministers of Lands and Forests (Mr. Spooner); Public Welfare (Mr. Cecile); Highways (Mr. Cass); Labour and one other. I do not know what his title is as yet—I guess he is trying to get one, but has not arrived at that point.

He is the hon. Minister who was referred

to in the *Toronto Globe and Mail* as being naive—if hon. members remember that article not too long ago.

Hon. A. Grossman (Minister without Portfolio): How naive can the hon. member get?

Mr. Reaume: When this presentation was made, I noticed that somebody referred to the group as a communist-led group. Now, I want to make this statement to the hon. Minister. There were people there from Windsor who were unemployed, people I have known for many years. They were some of the leaders of that group, apparently. These people, to the best of my knowledge, are not "Reds" as the hon. Minister referred to them.

Hon. Mr. Grossman: Canadian labour congress—

Mr. Reaume: I do not care what anybody said. I made a statement and I think that the hon. Minister has no right to publicly make a statement in this House or elsewhere referring to a group of people as being Reds unless he knows they are Reds.

Hon. Mr. Grossman: I know they are Reds—

Mr. Reaume: Let him prove it.

Hon. Mr. Grossman: I will. I will just get that for the hon. member before he sits down—

Mr. Reaume: I want the hon. Minister to prove this. I want him to prove the fact that these men, who come from the very same city as I do, are Reds. If the hon. Minister could do so, I will buy him a brand new hat if I can find one big enough.

Hon. Mr. Grossman: Now that is a great contribution to the unemployment debate, is it not?

Interjections by hon. members.

Mr. Reaume: I am not talking now about the large numbers of unemployed people. We can go into that, and we have. What I am trying to do, if I can, is to nail the unemployed problem down so it comes under the control of a responsible Minister of the Cabinet, and the responsible Minister of the Cabinet, I submit, is the hon. Minister whose estimates we are dealing with right now.

I should add one other word. Some day, I know my hon. friend from York South (Mr. MacDonald) is going to make some mention about it. If we are going to get on in

Parliament as we ought to, we cannot forever be going on with the hon. Speaker of this House kept under the thumb of the hon. Prime Minister (Mr. Frost) and constantly told what he has to do.

Mr. W. B. Lewis (York-Humber): Withdraw that statement.

Mr. Chairman: Order.

Mr. Reaume: Mr. Chairman, I want to make this statement: I quite understand that if Mr. Speaker does not do what he is told, he probably, too, will be unemployed.

Mr. Chairman: Order.

Mr. Reaume: I wanted to make that observation, because one of these days we are going to have to—

Interjections by hon. members.

Mr. Chairman: Order.

Mr. Reaume: There is no fooling about this, this thing has gone about as far as it can go. We in the Opposition do not intend to stand for this kind of thing any more.

Interjections by hon. members.

Mr. Chairman: I must ask the member to withdraw that statement.

Mr. Reaume: I want to say this: In view of some of the unparliamentary statements that the hon. Prime Minister of this province has made about hon. members on our side of the House, I do not feel disposed to withdraw that statement.

Mr. Chairman: I must ask the member to withdraw it.

Mr. Reaume: I want to ask you a question.

Mr. Chairman: Order. The member is out of order. I want him to withdraw his statement.

Mr. Reaume: In a gentlemanly way I want to ask this, Mr. Chairman. Do you think that it is right and reasonable that the hon. Prime Minister should be forever allowed to stand up in this House at any time he wants to, and when we seek to speak, we are called out of order?

Mr. Chairman: I ask the member to withdraw the reference to the Prime Minister, and to Mr. Speaker.

Interjections by hon. members.

Mr. Chairman: I want the member to withdraw. The statement is a reflection on the Prime Minister.

Interjections by hon. members.

Mr. Reaume: Now, what does the hon. Chairman want me to withdraw?

Mr. Chairman: I ask the member to withdraw the statement he made.

Mr. Reaume: We have been talking here for half an hour.

Mr. Chairman: The member knows which statement.

Mr. Reaume: Do you want me to withdraw the statement I made about the hon. Prime Minister? A moment ago you said the one about Mr. Speaker. Which one does the Chairman want me to withdraw?

Mr. Chairman: Withdraw that statement.

Mr. Reaume: Which statement are you talking about?

Mr. Chairman: The statement with reference to the Prime Minister.

Mr. Reaume: I am not going to withdraw that statement.

Mr. D. C. MacDonald (York South): Mr. Chairman, will you allow me the opportunity to intervene here? As long as the law of Killaloe is in existence in this House, and as long as the hon. Prime Minister is going to operate on the basis of the law of Killaloe, the inevitable corollary is that Mr. Speaker is under his thumb. Now, when the hon. Prime Minister is willing to say that the rules of the House are going to be lived up to, and that he is going to live up to them himself, then that—

Mr. Lewis: I have a question Mr. Chairman. My question proceeds I believe on the matter we were discussing. I would like to ask you, Mr. Chairman, when the chairman of the committee of the whole asks a member of this House to withdraw a statement, and he refuses to do so, what is the next step in the procedure of this House?

Mr. Chairman: May I ask the leaders for a motion to report to the Speaker, please?

Hon. J. N. Allan (Provincial Treasurer): Mr. Chairman, I move that the committee rise and report to Mr. Speaker.

Mr. Chairman: Hon. J. N. Allan moves that the committee rise and report to the Speaker.

Will all those members in favour of the motion please say "aye."

Those opposed to the motion please say "nay."

I declare the motion carried.

Mr. MacDonald: Mr. Chairman, I have the floor. In the committee—and the clerk of the House knows this—you take a recorded vote by standing without calling the names. This is what we have done in the past. We asked for that standing vote and, whether deliberately or not, you have stalled until the Tory hon. members came into their seats.

Mr. Chairman: All you did was ask for a vote so I must call in the members.

Mr. Lewis: Mr. Chairman, may I ask you a question? Am I right in saying that I believe after the "ayes" and "nays" are asked for, you, as the committee chairman, have the right to say the ayes or the nays have it?

Mr. MacDonald: Then call for a vote.

Mr. Lewis: You do not need a vote, Mr. Chairman.

Mr. MacDonald: You call for a standing vote. Mr. Chairman, the hon. member does not know what he is talking about. A recorded vote is a standing vote.

Mr. Chairman: Order.

Hon. L. M. Frost (Prime Minister): Mr. Chairman, I have no idea what this is all about. I was at a meeting with the hon. leader of the Opposition (Mr. Wintermeyer). We were discussing a matter of very great public interest and importance.

An hon. member: At the hon. Prime Minister's request?

Hon. Mr. Frost: No, at his request.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, the simple fact is that the hon. Prime Minister and I were talking with Mr. Gordon about the matter of transportation in this area. However, I think, at this time, it is your responsibility, Mr. Chairman, to advise us of the rule under which you have proceeded. My understanding is that in the course of the estimates debate a vote was requested and that vote was taken and concluded. Mr. Chairman I would simply ask you, on a point of information, under what rule you have proceeded.

Hon. Mr. Frost: Mr. Chairman, perhaps the best thing to do is to take the vote and let us see what this is about.

Mr. MacDonald: Mr. Chairman, I have the floor. I am not yielding the floor to an hon. member—

Interjections by hon. members.

Hon. Mr. Frost: What is this all about?

Mr. R. C. Edwards (Wentworth): I submit, Mr. Chairman, it is improper for you to call for a vote of the hon. members opposite at this time since they came in after the question was put and after the vote was taken on this side of the House.

Mr. Chairman, I further submit that our hon. leader did not take part in the vote; he was sitting at the side when the vote was taken and did not count in this side; and I submit it is improper for the hon. members opposite to come in.

Interjections by hon. members.

Hon. Mr. Frost: I understand, sir, that in my absence, when I was engaging in this important discussion, that some hon. member is alleged to have said—which, surely, I think must have been misunderstood by the House—that Mr. Speaker was under my thumb.

Mr. Chairman, might I say, as a matter of personal privilege, that such is not the case. I would say this: let us get down to business and proceed with business and clean it up.

Mr. H. C. Nixon (Brant): I would say to the hon. Prime Minister that he has not got the story exactly right. Mr. Chairman said the reflection was on the hon. Prime Minister and he wanted the hon. member to withdraw that.

Hon. Mr. Frost: Well, I am so used to having reflections on myself that I am immune to them. Let us get down to business and proceed with the business of the House.

I am not afraid at all of what people think. I like to think of the old leader of the Tory party who said you always found the most sticks under the best tree.

Mr. Reaume: Mr. Chairman, I thought I was in order all the time, of course, and the action of the hon. Prime Minister now proves I was right.

Getting back to this matter of unemployment again—Oh, sit down!

Hon. Mr. Grossman: I am addressing the chair.

Mr. Reaume: Well, the hon. Minister should stand up on a desk.

Hon. Mr. Grossman: I am addressing the chair.

Mr. Reaume: The hon. Minister should get off his knees.

Hon. Mr. Grossman: Mr. Chairman, a few moments ago the hon. member challenged me to produce certain evidence, and I offered to bring it in. Now, is he ready to hear it?

An hon. member: Keep on talking, keep on talking, we can talk them down.

Hon. Mr. Grossman: Is the hon. member ready to hear the evidence?

Mr. Reaume: You see, Mr. Chairman, this is exactly what we are arguing about. There is no law, or order, discipline or anything of that sort in this House at all. Right this very minute an hon. Minister of the Crown rose in his seat while I was speaking, attempted to make a speech, and you did not call him out of order. One of these days—

Interjections by hon. members.

An hon. member: The hon. member ought to be a debater.

Mr. Reaume: Never mind, will the hon. member sit down for a moment? One of these days—

Interjections by hon. members.

Mr. Chairman: Order. Order.

I would like to say to the members: certainly there has not been order. Actually, you act as though there is no Chairman. I have news for you. From now on I am going to be Chairman and there is going to be order.

An hon. member: Talk the hon. Prime Minister down, the first thing you do.

Mr. Reaume: That is very, very fine, and there will be no more happier people in the House to hear that news than the hon. members of the Opposition. Now, I sincerely hope—

Interjections by hon. members.

Mr. Lewis: Mr. Chairman, please listen to me for a moment.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. Reaume: Now, you see; I am in order and he is out of order and you want me to sit down.

Interjections by hon. members.

Hon. Mr. Allan: Mr. Chairman, I am sure the hon. members want to have order in this House. Now, let us co-operate with the Chairman and have some order.

Mr. Lewis: Mr. Chairman, may I ask you a humble question? The hon. member from the other side of the House moved a motion that the committee rise and report progress. You took that vote. The vote carried in the affirmative by the House.

An hon. member: It did not, it was defeated. That is why we are still here.

Another hon. member: Mr. Chairman recognized the vote and it was defeated.

Mr. Chairman: By unanimous consent it was withdrawn.

Some hon. members: Hear, hear.

Mr. Reaume: Mr. Chairman, I agree with the words of the hon. Provincial Treasurer that we should co-operate with the Chairman of the House. But there cannot be any co-operation unless we understand that co-operation is not a one-way street; and it is nearly time that the hon. members over there found out—including the hon. Prime Minister of this province—that the day has arrived, and it is right here now, when he must cease pushing us around because we are just not going to stand for it any more.

You can take that any way you want to.

This thing is getting tiresome. We refuse—never mind, “Smiley,” I can handle you in a minute—we refuse to accept that every time we open our mouths in this House we are always out of order and the hon. Prime Minister is always in order.

An hon. member: Let us get down to the estimates, please.

Mr. Reaume: That is part of the estimates.

Mr. R. M. Whicher (Bruce): That is our estimate of you.

Mr. Reaume: Yes, indeed, and others too. I have already said that there are approximately 185,000 unemployed people in the province; and I want to say that there is no

indication whatsoever on the part of the people in power in this province that they have done or will do anything for them.

Everybody agrees—even the hon. members over there—everyone agrees that unemployment is an urgent matter. And when this unemployed group met with 5 hon. Ministers of the Crown on the big worry about whether or not they were going to do anything for the unemployed people of the province, the statement was as one coming from the hon. 5—they had no funds.

Some poor unfortunate man at the back of the hall—who had arrived, I suppose, from Europe, maybe 4 or 5 years ago—after having been told by ads, and things of that sort, that Canada was the land of milk and honey, comes over here to find himself out of a job and cannot find work, and the explanation that he gets is that we are sorry.

And this was the very same statement coming from every hon. Minister who was present there—and there were 5—“We have not got the funds to do the necessary works with in order to help the unemployed out at all.”

Then this unfortunate man said: “It is a strange thing that you cannot find some money to do public works with in order that you might employ people.”

An hon. member: He is out of order.

Mr. Reaume: We are talking about the welfare of unemployed people at this moment, and I submit that I am strictly in order because it was first brought up by the hon. Minister himself, so do not start calling me out of order now.

I submit that if this is really an emergency, then what this House ought to start doing at once—and probably the hon. Prime Minister of the province is the man who should do it—and I frankly admit that we are not going to solve the unemployed problems by having arguments in this House. I quite frankly admit, too, that when an hon. Minister of the Crown rises and speaks for his party, that in the back of his head, some place, there must be a little spot there where he is keeping the interest of his party somewhat at heart and in mind.

I think that is applicable to all parties and, for that reason, I am going to throw out this one thought:

Unemployment is a disease. There is not anything in the world that will change people's minds so quickly, there is not anything in the world that will breed communism so fast as people being out of work.

So I suggest to the hon. members of this House that:

Firstly, the government of the day bring this vast and important problem in this province under the control of a responsible Minister of the Crown. And I suggest that the responsible Minister of the Crown ought to be the hon. Minister of Labour himself.

Further, if we can appoint groups or committees of the House to deal with toll roads, crop insurance and everything under the face of the sun, I think, indeed, we might give some very serious thought to appointing a committee of this House at the earliest possible moment, made up of hon. members in all parties, and then allow that group of men, whoever they might be, to adjourn to the quiet of one of the offices here in the building, where they can start in immediately, working on the matter of unemployment.

Oh, I know that no private hon. member, no hon. member of the Opposition, has any right to suggest probably to the Treasury benches that they must spend funds this way or that way; but, such a group of people, who are not under constant pressure of argumentation after argument in this House, may very easily and very quietly sit down and talk over the problems that are actually affecting approximately about 180,000 people in the province and, by the paper this morning, some 750,000 people across Canada.

I merely say this: If this matter of unemployment is not important enough to awaken the hon. Ministers of the Crown of the present government of this province, indeed, Mr. Chairman, I do not know what would wake them up. But there must be something, we must work out some means of disturbing them; they have been slumbering for a long time and I think that it is evident and obvious.

We can see that the federal government, even with all the errors and mistakes they are making, are at least doing something.

It might not be bad advice if this government were to tear a page from the action and the things that are happening in the United States. A young man, aged 43, elected president of that great country, is not prepared to sit as the hon. Ministers across are prepared to sit, and buy 5 pairs of pants with every coat. It is perfectly obvious that he is doing something about it.

Therefore, I suggest, Mr. Chairman, that it might not be a bad idea if the hon. gentlemen over there would awake from their slumbers, tear a page from the book of a young man who has made a name for himself, and who is doing something, at least, to

try to beat this great problem of unemployment.

Mr. MacDonald: Mr. Chairman, we finally were able to get assurance, an hour or so ago, that tomorrow morning the unemployment debate will be resumed. Therefore I do not propose to debate the issue of unemployment other than to say this, in partial comment on the remarks of the hon. member for Essex North, and I shall leave one of my hon. colleagues, in whose name the debate was adjourned, to present what I think would be the fuller view tomorrow:

Unemployment is not going to be solved by fixing it as the responsibility of any one Minister, even the hon. Minister of Labour. Unemployment will be solved when we take the whole range of the economy, and the whole range of policies that will be worked out by the Cabinet as a whole. Unemployment is not going to be solved by some of us going off and talking in some room quietly. Unemployment will be solved by this government getting into action with policies as well as the government up in Ottawa.

An hon. member: If it ever does that.

Mr. MacDonald: Yes, if it ever does. So let us not have any illusions about a group of us going off and talking and then having to come back and persuade the people with whom power rests that something must be done. The responsibility rests right there on the Treasury benches, and the proof of the fact that they are unwilling to accept that responsibility is that we have had for two months a motion on the order paper—the most important issue that the people of the province are facing—and that this government has done nothing but to sidetrack it, to postpone it, to confuse it, to frustrate it, until we have had no real coming to grips with the issue at all.

Hon. A. K. Roberts (Attorney-General): The hon. member does an awful lot of talking.

Mr. MacDonald: Never mind. Meanwhile—

Interjections by hon. members.

Mr. MacDonald: Well, perhaps I have said enough for the moment. I shall follow my own advice and leave it until tomorrow morning, when we have an opportunity to debate it, Mr. Chairman.

I rise at this stage in the estimates to deal with one issue and one issue only, because I do not think it falls appropriately under any other estimate, and yet I think it is of overall importance in the problem of labour-management relations.

Hon. members of the House who sat on the select committee on labour will recall that one of the issues that we spent endless hours in discussing, while we were considering possible amendments to The Labour Relations Act, was the question of how to come to grips with the failure to bargain in good faith. Because it is idle to say that we have a Labour Relations Act that concedes the right to collective bargaining on behalf of a group of workers who, once they have secured certification, then face a company which just refuses to bargain with them.

We have had, in the last year, what I think is a conclusive case of a company refusing to bargain in good faith; and yet we have had a court decision which in effect gets the company off the hook and nothing has happened in coming to grips with this central problem of labour-management relationships.

I am referring to the extended battle that went on in the city of Kitchener, between the rubber workers and the Kaufman Rubber Company.

Now, Mr. Chairman, I want to review, for the benefit of the House, briefly what has happened in the relationship between this union and this company.

In the first place, a union in this plant first came into being in the year 1937. It was forced to strike to secure recognition. After two weeks on strike, they went back to work and the company then proceeded to lock them out for 4 weeks. That was the beginning of the history of this union.

In 1945 they received certification from the Ontario labour relations board, and they attempted unsuccessfully to negotiate a contract with the Kaufman company. Negotiations again took place in 1950 and in 1953, but in all 3 instances they were unsuccessful.

Let me sum up here, Mr. Chairman: Here is a union which, at that instance, had been in existence for 16 years. It had been able to secure its certification along the way, it had sought to negotiate on at least 3 or 4 occasions, but had not yet been able to get a contract from the company involved.

In 1959, some 650 employees were certified as members of the united rubber workers of America and negotiations were requested.

After the refusal of the company to bargain with them, the union applied for conciliation services—and I do not know whether the hon. Minister has this at his fingertips and whether he would care to comment on it—but they were refused conciliation services because the

last conciliation report had not been proceeded with to get a contract.

The last conciliation report had been 8 years before, in the year 1951, so I asked the question as to whether or not the department felt they were contributing to the solution of this problem of labour-management relationship when they use the excuse of an 8-year-old conciliation board report as the reason for not granting conciliation services anew in the year 1959.

Hon. Mr. Daley: Of course, the hon. member knows that the application for conciliation services goes to the labour relations board, who examine the evidence and decide and recommend to me that there shall or shall not be conciliation. If they did not recommend it, it was because they had a good reason. There is no reason for them to keep conciliation from this group of people.

Mr. MacDonald: Well, all I can say is that I find the decision of the board as well as the decision of the hon. Minister difficult to understand. I think—has the hon. Minister the power to override the board?

Hon. Mr. Daley: I never have.

Mr. MacDonald: The hon. Minister never has, or has he the power?

Hon. Mr. Daley: No, I have not the power. I do not examine the evidence; I do not have—as a matter of fact, I have kept entirely free from the board other than to get information on certain things for my own—

Mr. MacDonald: I do not want to get into an argument with the hon. Minister and be provocative—we have had enough tensions around here this afternoon—but the hon. Minister often makes a plea for solving things on the basis of commonsense.

Here is a union which had been seeking—at that stage in 1951—for 14 years to get a contract with this company. And they had not succeeded, but they had reached the conciliation stage and they secured a conciliation board report; but it had not resulted in a contract.

Then, after 8 more years had lapsed, they sought the rights for conciliation.

Does it not appear, on the basis of plain commonsense that, when the report was 8 years old, it would have no particular value in solving a problem in 1959?

The hon. Minister nods, and I am glad that we have some measure of agreement.

Let me go on. I reported that in 1959 they moved into negotiations again to see if

they could not get a contract. This is now 22 years after the union first came into the company.

Their negotiations in the first instance were with the company lawyer and the personnel manager. After they had negotiated for quite some time, they came to an agreement, except for 4 points, and they recommended to Mr. A. R. Kaufman approval of the agreement, except for these 4 points.

So the issue then went back to Mr. Kaufman.

What happened? Mr. Kaufman refused to accept anything; either the 4 that had been discarded or those that had been agreed upon by his own company committee. He turned them all down, and he made an offer to the union which did not include a wage increase; did not include any seniority rights; did not include any union security.

But he did include a proposition that the key issue between them was that the united rubber workers would have to deposit \$25,000 with the manufacturer as a guarantee against any damage being done against his plant.

The interesting thing here, Mr. Chairman, is that what Mr. Kaufman, in effect, did was to arrogate unto himself the right of the court to decide when and if some violence takes place. He, in effect, said that the workers must put down this deposit of \$25,000 implying guilt before any action had taken place. He implied this 23 years after the union had come in, 23 years in which they had never been able to get a contract.

All this seemed surely to point to a refusal to bargain in good faith.

So, last June 25, the union went on strike. Immediately the strike took place, the union contacted the company several times and tried to get back into negotiation. Upon refusal of the company to get back into negotiations, the union then made application to the Ontario labour relations board for permission to prosecute for failure to bargain in good faith and they were given permission.

They went before a magistrate and the magistrate gave a ruling. I am not going to read the ruling but, in effect, it found Mr. Kaufman not guilty.

I ask any hon. member in this House—after 23 years of trying to negotiate and never getting their contract, and after that record of anti-union activity, how any magistrate could seize upon a few of the details involved in these final days of attempted negotiation and say that Mr. Kaufman was really bargaining in good faith?

I want to suggest to the hon. Minister, in

light of this, that there is only one way we can avoid the kind of labour-management strife that took place in Kitchener, that we can avoid management, in effect, taking the law into their own hands so that they provoke violence on the picket line and then, after violence has taken place once again, have the union taken into the courts and usually suffer a conviction, when the real source of the violence and the trouble was Mr. Kaufman. If the hon. Minister wants to stop this kind of thing, Mr. Chairman, I suggest that he has to give some serious thought to what we mean when we say that it is a refusal to bargain in good faith.

If the law, as interpreted by the magistrate in this instance, legitimately permits this conclusion after 23 years of this company not bargaining in good faith, then we had better throw the Act out the window. I suggest that there is no point in stating that there is any protection for the workers against the management that takes that kind of stand.

That is all I want to say at this stage of the estimates, and I would appreciate it if the hon. Minister would comment on this, because this is potentially a very dangerous matter.

Hon. Mr. Daley: Yes, I will, and I was equally disturbed about the situation, probably as much as the hon. member. We had a union with a long term of dealing with the company. True, they did not have a signed agreement, but they did have an agreement and they dealt and worked with the company for all those years. When we heard about the possibility of a strike there, we went very carefully into the matter; I must say that I recommended to the union that they not seek a signed agreement at this time, but go on and deal with the company as they had. Why pick probably the worst time in a great many years to try to accomplish something; and, I will say, with a determined man like Mr. Kaufman?

I had him down in the office, and spent hours with him, but he was determined that he had treated his employees fairly, and the conditions that existed shortly after would almost indicate that he was right, because he opened his plant and a great many of them went back to work.

Many people have told me of very generous things that he has done over the years for a great number of his employees; and there was evidently a great number of them who were very loyal to him.

When he opened the plant, the men went back to work to an extent, not all of them, and I do not know that there was anything

our department could do. There is no law that says a man cannot open his plant because some people go out on strike, and I hope there never will be.

I do not think that we would want a law that, if a group of people strike in a man's plant, the plant is closed until they can negotiate a satisfactory agreement. I do not think that would be in keeping with our conditions here.

This union, in the first place, was unwise, I thought—and I told them so—to go on strike to get an agreement they had been trying for 15 years to get. And to try to do so in what might be considered bad times. I recommended they do not strike because the arguments of the industry were that business was in terrible condition and they could not—I will not say they could not afford—but the business as a business would not stand any more than they were presently paying and they were not going to sign an agreement.

I told them that the question of depositing that \$25,000—I think it was \$50,000 they wanted in the first place, and probably reduced it to \$25,000—was as silly as anything could be, as there has never been a union—and I hope there never will be a union—which will agree to a thing like that. We could have got that out of the picture but they would not sign the agreement.

Mr. MacDonald: Mr. Chairman, let me put this to the hon. Minister of Labour, because it seems to me that he has not come to grips with it. This union was certified finally in 1945. When a union is certified under the Act, they have the right to negotiate and get an agreement.

Now, if after 15 years the management refuses to sign an agreement, I can understand and agree that the hon. Minister's advice to these people may have been good. But surely the point is one to which we in this Legislature should give some attention, because if after 15 years the management has refused to sign an agreement, have they not violated the law? Have they not refused to bargain in good faith?

Hon. Mr. Daley: I would not say they have. Certification is intended to lead to an agreement, but it does not say that because they have certification that the company has to sign an agreement.

Mr. MacDonald: Mr. Chairman, when a man makes a proposition after he has thrown

out his own negotiating committee's agreement—and incidentally, in this case—when he makes a proposition that the union must deposit \$25,000 as a guarantee against any damage to the plant—the hon. Minister says this is silly, and he hopes that no union will ever do it.

Hon. Mr. Daley: I do.

Mr. MacDonald: Well, surely, Mr. Chairman, if it is that silly, we must be getting pretty close to it being illegal—in terms of refusing to bargain in good faith. When Mr. Kaufman made this proposition, he knew the union would not accept it. They would be crazy to accept it. So this is not bargaining in good faith.

My plea to the hon. Minister is: Do something about this section of The Labour Relations Act dealing with bargaining in good faith, because, until we do something about it, we are not going to be able to solve the refusal of companies who go through the motions of accepting the unions but which, in effect, are defying the law and will never accept the union.

Hon. Mr. Daley: It is very difficult to define when a company or a union is bargaining in good faith. Unions sometimes do not bargain in good faith; they can make demands which are entirely unrealistic, and the company can refuse them. So then it can be said the company is not bargaining in good faith.

In regard to that \$25,000 bond, Mr. Chairman, I say it is a silly proposition because no union could stand the fact that even one of their members—some erratic fellow, and the union knowing nothing about it, maybe—might do a lot of damage; then the union would be stuck with that. I could not agree that any union could agree to a thing like that. And that is not the only request we have had on that subject.

Mr. K. Bryden (Woodbine): Mr. Chairman, I think the matter justifies further consideration, because, as I see it, it is and has been a festering sore for a long time. I will state first of all that the vast majority of employers in the province, when they have a union certified in relation to their employees, will proceed to bargain with that union as the law requires.

But there certainly is a small minority of stubborn, contrary individuals who refuse to consider anybody's rights except their own. There are a few, and this is one of them, and it seems to me, Mr. Chairman, that there is

either a weakness in the law itself or else a weakness in the enforcement.

I am not a lawyer and I do not purport to say where the weakness is, but certainly there is a weakness somewhere when any employer can get away with a situation where, for 15 years, he has had a certified union and he has not signed an agreement with it.

I will agree with the hon. Minister that there could be a stage when the union was being unreasonable and certainly the employer does not have to accept everything the union wants. But, obviously, in a period of 15 years every conceivable device was used to get that employer to sign an agreement and he flatly refused to do so. What he did, in effect, was to thumb his nose at the law.

This is not the only occasion where this sort of thing has happened, although I am glad to say they are rare occasions.

It has happened on other occasions that when employees, in the last stages of exasperation dealing with that type of employer, are precipitated into some sort of breach of the peace, the hon. Attorney-General will ride in on his white horse and the provincial police will be in there to take care of the poor employees who have made some misstep.

Yet the employer can proceed indefinitely—in this case for 15 years—thumbing his nose at the law, and nothing at all happens to him.

Mr. Chairman, I believe it is time that we reconsidered either the law or the administration of it, or both, because the sort of situation, to which the hon. leader of the CCF referred, should not exist under any circumstances in this province. When an employer flatly refuses to undertake his clear obligation to bargain in good faith, then something should be done about it and there should be some remedial action taken against him.

Mr. R. C. Edwards: Mr. Chairman, I have a few remarks to make, and I should like to preface them at the outset by saying that, although a new member, considerably younger in years than the hon. Minister of Labour, I find it necessary to criticize him. Unfortunately, in a democratic process—as the hon. Prime Minister has said many times—“we are over here and he is over there.” Therefore I find it necessary to, I hope, point out some of the weaknesses of The Department of Labour and the attitude which is being taken by the department with respect to the very important problems of the province of Ontario.

The hon. Minister said in his opening remarks this afternoon that he was taking a quiet, relaxed attitude towards the situation and that he intended to be brief. I submit, Mr. Chairman, that this is reflected throughout the whole Department of Labour estimates and in the progress which it has been making throughout the past few years.

I think the hon. Minister of Labour has been a very faithful servant of the province of Ontario; I think he has given very merited service in the past. But I submit that the department is starting to show signs of lack of imagination and leadership.

I find it very difficult, Mr. Chairman, to understand why, in the almost two years that I have been a member of this Legislature, The Department of Labour has not published, to my knowledge, a report which would give me, as a new member, any knowledge of what has been taking place in The Department of Labour.

I have the fortieth report of The Department of Labour which I assume to be the last report of the department. I note in checking through this report that it covers the year ending March 31, 1959, which was prior to the time that I came to this Legislature.

We are now approaching the middle of the year 1961 and yet, to my knowledge, no report has been submitted to the hon. members of this Legislature which would cover the operations of The Department of Labour for the year ending March 31, 1960.

Notwithstanding this fact, Mr. Chairman, during the estimates of The Department of Labour last year, the hon. Minister stated to some of the hon. members of the Opposition that answers to the questions which they asked with respect to the preceding year could be found in the department's report. I submit to the hon. Minister of Labour that this is just plain inefficiency.

The department has a responsibility to submit an up-to-date report of the operations of the department to the hon. members of the Legislature, and certainly it should not be two years after the closing of the year before this report is submitted.

It is very difficult, Mr. Chairman, in perusing these reports, to endeavour to check into the operations of the department or to make constructive suggestions when they are this far in arrears in reporting the activities of their department.

I suggest to the hon. Minister that, if it is a lack of funds, perhaps he should have brought in a higher budget last year which would have permitted him to have submitted

this information much sooner than he has. This is an old trick of the government benches opposite, to report on the department at such a time as to make it very inconvenient for the hon. members of the Opposition. It is an old trick to put in reports on the day that they are prepared to table their estimates.

Mr. Chairman, nobody can tell me that the hon. Ministers of the government do not know far in advance what that report is going to be, and I have very serious doubts as to whether or not that report has been printed on the day that they submit their estimates.

I brought the attention of this House to the fact that this same manoeuvre was practised by The Department of Highways last year, and when I endeavoured to obtain some information, with respect to the speech that I wish to make today, I found that report was not published.

I think that it reflects the attitude of this old department, this tired department, which is showing lack of imagination in the amount of money which is being submitted in this overall budget to take care of the requirements of The Department of Labour for the forthcoming year.

During the debate on The Department of Economics, this side of the House raised the question of studies which could be made with respect to the mobility of the labour force, with respect to the long-range needs of the labour force, with respect to the tradesmen who were available to take care of these long-range needs. We were told at that time that it would not be conducted by The Department of Economics since this was a matter which might more properly come within the bounds of The Department of Labour.

As nearly as I can determine from checking estimates here, there is very little provision made for such a study; and I suggest that if it is included within these estimates, it is being regarded very lightly since it is such an insignificant amount that it cannot be detected by the casual observer.

I should like to ask the hon. Minister just what study has been made with respect to the mobility of labour in this province. Just what does The Department of Labour know with respect to the next 10 years insofar as the labour force is concerned? Does The Department of Labour know anything about the results of automation on the labour force in this province?

I submit that all these things should be taken into consideration by the department; and possibly if these things had been con-

sidered in the past decade it might not be so necessary at this time for this House to be so concerned with unemployment.

I have heard it said in this House, with respect to the trades, that there are positions open in the province of Ontario for which there are no trained individuals who can qualify. I submit that The Department of Labour should have known that, some time in the past, and should have made some provision. Very little has been done with respect to conducting these studies; and it appears to me, Mr. Chairman, that very little provision has been made in these estimates for study in the near future.

I think it was pointed out in the debates of The Department of Economics that a Senate committee had given very serious consideration to these problems in the country to the south of us, and it has been amply demonstrated there that they are taking the situation seriously, as has been pointed out by my hon. colleague in the House this afternoon.

I would like to suggest to The Department of Labour, and to the hon. Minister, that he do not treat this matter in too quiet and relaxed an attitude, that he treat the situation very seriously, and that this is the place where we can show some imagination, some bold leadership, and if necessary we can do a little experimentation to find out just what contribution can be made by the government of the province of Ontario to this unemployment situation.

I submit that while it might be more national in character, and while it might be a matter which is of more concern to the federal government, I submit that it is by no means an inconsequential matter as far as we are concerned.

It is important, and it is the people whom this province proposes to govern who are affected by unemployment; so I think that several steps could have been taken by the hon. Minister of Labour to show some leadership which, I submit, has not been shown up until now.

I should like to ask—it may be perhaps more proper for me to submit these questions later on, Mr. Chairman, and I will abide by your ruling—but I have some questions which I would like to ask with respect to vote 1001. Do you wish me to include them at this time?

On vote 1001:

Mr. R. C. Edwards: Mr. Chairman, I should like to ask the hon. Minister of

Labour just what additional services have been granted with respect to the considerable increases in licence fees which were charged during the past year or so. I think it goes beyond the past year when they started to increase the licence fees.

I am thinking particularly of my barber in Hamilton who asked me what the reason was for the department increasing the barber's fee from \$1 to \$5. It seems to me that this is quite a healthy hike in the licence fee unless the department intends to provide the person making the payment with more services than have been available in the past.

I submit that it possibly was intended to be a general increase in fees to obtain more revenue for the department. I wonder whether or not this is in line with the intention of these licence fees which were set out when the licensing was originally commenced in The Department of Labour. It seems to me that, originally, it was a matter of controlling the trade, and that it is probably now becoming a matter of revenue for The Department of Labour.

I should like to speak very briefly with respect to the workmen's compensation board which, by and large, Mr. Chairman, I feel to be a very good board. I feel, however, that it is time that some imagination were shown with respect to the purpose of the workmen's compensation board. Last year during the—

Hon. Mr. Daley: I might say that there is nothing in these estimates about the workmen's compensation board at all.

Mr. V. M. Singer (York Centre): There is so.

Hon. Mr. Daley: Only one little amount that is to pay our fees, if we have any to pay.

Mr. R. C. Edwards: I am quite happy, Mr. Chairman, to bring it up under another estimate, although I would tell the hon. Minister this: that when this matter was brought up last year, nothing was said about it not being within these estimates.

In checking through *Hansard* of last year, I find many suggestions with respect to the workmen's compensation board, and I suggest that the remarks which I am about to make might have some significance, and might be in the overall best interests of the working force of this country.

I submit to the hon. Minister that unemployment is not covered as a definite item in this budget either, but there have been several discussions taking place this afternoon with respect to that situation, so with your permission, Mr. Chairman, I should like to make a few remarks with respect to this situation.

It being 6 of the clock, p.m., the House took recess.

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